# The China Weekly REVIEW

# 密勒氏評論報

A Weekly Newspaper Established in 1917


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## WHY NOT AGREE TO ALLOW THE JAPANESE TROOPS TO REMAIN?

THE Chinese, with the natural pride of race, can hardly bring themselves to the point where they can agree to anything which savors of an infringement of sovereign rights, and for the Chinese to agree to an arrangement whereby Japanese troops would be stationed more or less permanently on Chinese soil in an area which for thousands of years has been under purely Chinese jurisdiction would, of course, be somewhat humiliating. But, to use a time honored expression, the Chinese are up against a condition and not a theory, and the problem for them to decide is what is the wisest thing to do. The Chinese should never forget that time is on their side and nothing is to be gained by precipitancy or by sticking too closely to an idealistic point of view. The Chinese may well take a leaf out of the book of the Russians on the Manchurian border who, while preparing themselves for eventualities, are wise enough to see that what will beat the Japanese in the end is propaganda, agitation, and particularly the heavy military expenditure. Incidentally also it may be recalled that the foreign expeditions into Soviet Russia were a failure not so much because of Soviet military prowess, but because of Soviet expertness in propaganda. We consider it a good tip to the Chinese to agree to have the Japanese army to stay around the Shanghai area for a while—unless the terms are made too humiliating—the Chinese in the meantime displaying enough military action on the borders to give the Japanese government an excuse to keep their 50,000 or 60,000 odd troops and marines here as long as possible. It may interest many Chinese to know a fact that they probably are not aware of, namely that a speaker in the Japanese parliament last week warned the government not to be inveigled by the "wily Chinese" into making huge military expenditures in the Shanghai area for no practical purpose. It may be taken for granted that the 60,000 odd Japanese troops and marines that are at present being kept in this area will prove a fertile field for the Chinese in which to sow Republican principles. Japan is one of the few remaining oligarchies in the world, and the ruling caste in Japan has been able to get away with this form of government through the blind devotion of the masses to the Emperor. The halo of the Emperor is still a strong one in Japan, but has been dimmed a little in recent years and it would

not be the first time in the world's history that when the legions who had been sent to foreign countries returned to their native land they became the precursors of a new theory of government. Aside from the opportunity for political propaganda among the Japanese troops in this place, the Chinese should also bear in mind that the longer the Japanese troops are kept in the Shanghai area the greater the burden will become for the already impatient Japanese taxpayer. The present indications are that the eventual upheaval in Japan will come as the combined result of the infiltration of a more modern theory of government than at present prevails in the Island Empire and the revolt of the taxpayer against the crushing military burdens. If the Chinese but see the opportunity they will not make too much fuss about the "ideals" of the situation, but will consent to the Japanese troops remaining here pretty much on their own terms. The Chinese will in the end thus have the satisfaction of knowing that they have contributed at least in a small way to the liberation of the Japanese people.

## SOVIETS KEEP THE JAPANESE OF QUI VIVE

ALTHOUGH it will naturally be the policy of the Soviets in their relations with Japan not to engage in any overt acts of hostility if it can in any way be avoided, but on the contrary to keep the Japanese, both with their army in Manchuria and politically at home, in a ferment, thereby causing the Japanese enormous expenses and hastening the day for which the Soviet authorities are all looking, a gigantic political upheaval in the Island Empire, there are many indications that at the same time that the Soviet Government is following a policy of "watchful waiting," it is also preparing for all eventualities. Two actions of the Soviets stand out prominently, namely the diverting of rolling stock from the Chinese Eastern Railway to Russian territory and the sending of war material to the Maritime provinces. A telegram from Harbin at the beginning of the week stated that the Soviets had diverted so many locomotives and freight cars from the C. E. R. line to the Maritime provinces that a point had been reached where it was almost impossible for the railway to function, and as a result the Manchoukuo authorities were putting out feelers for the purpose of securing a loan from the Japanese government in order to purchase the necessary railway equipment. As regards Vladivostock, a Harbin telegram stated that a number of submarines had been shipped knocked down to that port and were being reconstructed there with the aid of several hundred Germans.

Although most of the news of Soviet military activities comes from Japanese sources, and as the Japanese military authorities will naturally have the object of inflaming opinion at home by flaunting before them in an exaggerated form the extent of Soviet preparations, there is doubtless a considerable substratum of truth in the reports from Japanese sources as to the extent of Russian military operations. The Japanese claim, for example, that four divisions of Soviet troops have been added to the Vladivostock forces since January and that 80 military airplanes had been sent to the Soviet airdrome at Spaskaya. At the same time a telegram from Moscow stated that a more serious militarization of its 12,000,000 members was being demanded by the central council of the Soviet Society for Aviation and Chemical Defense, now in session in Moscow. Emphasizing the alleged danger of a war against the Union of Soviet Socialist Republics, speakers urged a greater military discipline and a more earnest preparedness on the part of the millions of members of the organization.

## THE FUTURE OF CHAPEI

THE future of the Chapei area, which the Japanese destroyed practically entirely during the recent fighting, is still undecided. But it can be taken for granted that every effort will be made by the Japanese to make a Japanese town out of the district, and if possible in doing so to hide behind the Shanghai Municipal Council. Whatever happens, it is to be hoped that the Municipal Council will not allow itself to be inveigled into any scheme for attempting to take over the Chapei district as a part of the Foreign Settlement of Shanghai. In any event it will be the Japanese who would be the masters of the situation. It would be a genuine example of the Council being used as a catspaw to pick the monkey's chestnuts out of the fire. If the Chinese are to lose jurisdiction of Chapei let it be the Japanese who are to do the dirty work in the future as they have done it in the past. Whatever apparent advantage there may be to other foreign interests in cooperating with the Japanese in a settlement-extension venture in the Chapei direction, it will in the end prove illusory, as the whole Settlement would be taxed for benefits which in the end would mostly go to the Japanese community. It is apropos in this connection to recall what happened in Dairen and Tsingtao. In both cases—the first right after the Russo-Japanese war, and in the other right after the Great War—they largely became Japanese cities not as the result of military prowess, but by outright purchase by Japanese residents of the real estate from the Russians and Germans who had been beggared as the result of the military operations. In both the Russian and German instances the changed state of affairs had made it impossible for them to continue to reside and do business in their old locations. In the meantime the taxes on their properties and the cost of upkeep were proving a heavy burden, and in most cases the Russians and Germans were willing to give up titles to their properties for a mere song to Japanese individuals, who in the purchase of these properties were loaned the money by the Japanese government. A recent telegram from Tokyo stated that the Japanese Ministry of Foreign Affairs was estimating a sum Yen 15,000,000 for the relief of Japanese sufferers from the Manchurian and Shanghai incidents. The funds will be lent to small commercial and industrial enterprises in Shanghai and Manchuria at low rates of interest, according to the telegram. It may be taken for granted that one of the objects of this loan to the smaller Japanese fry is to provide a fund for taking over properties in Chapei and other places, particularly in such instances where the owners for one reason or another are willing to turn over the title for a

nominal sum—and it is very probable that many Chinese property owners in Chapei will be "squeezed" into parting with their properties for a song just as were the Russians and Germans in the instances above referred to.

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The process of setting up a Japanese-supported puppet government in Chapei has already been started, the Japanese working mostly through Chinese from the North of the Yangtze, Kiangpei men as they are called. Reports on the formation of a socalled "Great Japan New Political Affairs Bureau" in Chapei were made by the mayor's office of Greater Shanghai April 5. This Bureau is stated to have established itself in the building formerly occupied by the Chapei branch of the Municipality of Greater Shanghai on Sin Min Road. Allegedly backed by Japanese power and allegedly guided by Mr. Chen Chung-fu, member of the Central Supervisory Committee of the Kuomintang, the new political organ is undertaking the administration of Chapei, employing a system of government similar in many details to that maintained by the Chinese municipality prior to the entrance of Japanese troops on January 28.

High in the councils of the new political administration though not actually holding public office are Messrs. Koo Tsoh-hsi and Wei Tsong-siu, according to the report made public by the office of Mayor Wu Te-chen. Mr. Koo Tsoh-hsi is the proprietor of the Tien Shan Theater at the corner of Foochow and Yunnan Roads, and is an acknowledged leader among the local North River residents. Mr. Wei Tsong-siu is well known in Chinese political circles in the French Concession. Mr. Wei is reported to have actually set up residence in one of the larger deserted houses of Chapei. According to this information, now being investigated by the local Chinese authorities, the executive chief of the new "Bureau" is Mr. Hu Lih-fu, proprietor of the Five Dragons public bath house, Nanking Road. Mr. Wang Do, employee of a local Japanese bank, is stated to be deputy chief of the new organization. The post of chief of police is stated to have been given to Mr. Shan Yu-ching, proprietor of the Ta Kwan Yuan public bath house, Nanking Road, and chief of the Kiangpeh, North Kiansu, Guild in Shanghai.

Mr. Yao Wu, alias Yao Tz-tu formerly employed by the Municipal Police of the International Settlement, is said to have been made chief detective of the new Chapei force. Some 150 policemen and 50 detectives are stated to have been employed by Shan and Yao.

Later information was to the effect that Mayor Wu Te-chen had ordered the arrest of members of the so-called Chapei Citizen's Self-Governing Bureau, declaring the organization illegal and at the same time had issued further instructions to the Bureau of Public Safety for an investigation into the alleged "puppet government."

Japanese consular authorities declared that if such an organization as the Self-Governing Bureau in Chapei existed it was entirely independent of Japanese influence. They also stated they believed it was independent of Greater Shanghai authority. They further declared: "Japanese naval authorities in control of Chapei have never attempted to institute or help to institute any political or administrative regime of any kind by any person. Japanese control has been confined to military activities. Although they have recognized the desirability of having police regulations, including traffic ordinances and the control of disorderly quarters, inasmuch as the Sino-Japanese conference on the cessation of hostilities is in progress, they have merely been watchfully waiting for the outcome of the conference. At no time, of course, have they ever attempted to suppress nor do they see the necessity of suppressing any voluntary movement for self-help or self-administration by bona-fide and responsible Chinese citizens."

Mr. Chen Chung-fu has issued a demal that he has any connection with the proposed political movement in Japanese-controlled Chapei.

## JAPANESE WOULD BORROW YEN 60,000,000 IN LONDON

THE Japanese Government-controlled South Manchuria Railway is trying to borrow Yen 60,000,000 in London for the purpose of refunding a loan which falls due on July 23 or less than four months from the present date. According to a report from Tokyo through the official *Rengo* service on April 3, the Japanese Government has been trying to refund the loan through the Yokohama Specie Bank but, owing to the serious financial situation now prevailing in Japan, has not succeeded. In view of the apparent impossibility of raising the money at home due to the financial crisis in the Government occasioned by the heavy military expenditures, a high financial commissioner, Mr. Tsushima has been sent to London with the object of obtaining part of the loan there.

This attempt of the Japanese Government to borrow money in London to finance the South Manchuria Railway apparently is somewhat similar to an attempt which was made four years ago to float a large loan on behalf of the S.M.R. in New York. The American loan failed despite the fact that members of the firm of J. P. Morgan and Company were in Japan and announcedly were on the point of signing the loan agreement, the failure being due to strong objections which were raised both by China and the U. S. State Department.

Of further interest in connection with Japanese financial schemes in Manchuria (or Manchoukuo) was another report (*United Press*) from Tokyo on April 2 stating that the South Manchuria Railway had agreed to advance a loan of Yen 20,000,000 to the Manchoukuo government. However, there was another report from Tokyo, through *Rengo* stating that the Cabinet had been approached by three semi-official Japanese organs with proposals for lending money to the Manchoukuo government, two of them being Mitsui and Company and the Mitsubisi Company. It was stated that since the Japanese Government is experiencing financial difficulties, the Cabinet favored loans to Manchoukuo through private agencies rather than a direct government loan.

The rising cost of Japan's military adventures has become a matter of serious concern to large sections of the Japanese public and the question of Japan's increasing expenditures frequently

forms the basis of pertinent questions asked both in the House of Peers and the House of Representatives. Thus on March 22 a Minseito member, Dr. Gotaro Ogawa, after referring to the fact that Japan's military adventures in China had cost Yen 147,000,000, said, "Judging from existing conditions, the total expenditures on this account (military adventures in China) will finally reach Yen 300,000,000 or even Yen 400,000,000, all to be financed by loans." Dr. Ogawa also brought up the question of the "secret military fund," and wanted to know how much of the expenditure of Yen 147,000,000 "represented the secret service fund." Furthermore, Dr. Ogawa wanted to know how the government proposed to raise the money for paying interest on the China war loans. "Is the government planning still further loans in order to pay the interest on the loans already issued?" Dr. Ogawa was also worried and had considerable to say about the mounting expenditures for pensions, indirectly concerned with military adventures on the continent. Mr. Takahashi, finance minister, in explanation said that since the military actions in Manchuria and at Shanghai "had come to an end," future expenses would not be so great, but Dr. Ogawa returned to the attack by declaring that if "war loans" amounting to Yen 250,000,000 are to be raised, the interest payments alone would amount to an "enormous sum," hence should be paid out of regular revenue instead of raising still further loans. According to the report in the *Japan Chronicle* the finance minister replied to this "but his voice was so low that it was inaudible to the galleries."

In the House of Peers on March 23, a Doseikai member named Kato tried to get some information regarding what disposition was being made of the "secret service fund," for which Yen 6,500,000 had been appropriated. The Premier made no reply except to state that the circumstances made it impossible for him to give any details. Mr. Kato mentioned that the government, due to increased national expenditure and interest payments on new public loans, had to find the enormous sum of one billion yen during the new fiscal year. Mr. Kato pressed for an answer as to how the government was going to find the money in face of increased "overseas payments" and the fact that the deposit department of the Bank of Japan could not possibly be drawn upon for the issue of new loans? The Premier sidetracked a direct answer by references to the Russo-Japanese war, compulsory military training, etc., finally promising that the present Cabinet "will restore prosperity without fail."

In connection with the above it is interesting to note in a recent Tokyo message that the Government may approve a proposed increase in the capital of the Bank of Japan. The Bank of Japan increased its capital to Yen 60,000,000 in 1910. The present increase is to be Yen 30,000,000 (150,000 shares) or Yen 60,000,000 (300,000 shares). The Bank, after receiving government approval, will collect unpaid-in capital totalling Yen 15,000,000 in order to prepare for the proposed capital increase. The purpose of this increase of capital is to enable the Bank of Japan to take up more war loan bonds to finance military adventures in China.

A Tokyo telegram April 4 stated that, foreseeing difficulty in repaying foreign loans of the South Manchurian Railway Company amounting to £6,000,000 which are due on July 23, owing to the financial situation abroad, the Department of Finance has decided to send gold specie through the Yokohama Specie Bank to cover the payment. Meanwhile, Mr. Tsushima, Japanese Financial Commissioner in London, is working hard to raise foreign loans to cover this part of the old loans. No money, however, had been raised by him up to April 4.

## Japan's Huge Deficit---Public Loans May Be Raised

The working budget of Japan for 1932-3 as presented at the meeting of the Cabinet Council March 30 was as follows:

Total revenue, Yen 1,388,630,000.
Total expenditure, Yen 1,531,734,000.
Deficit, Yen 143,104,000.
A public loan is to be issued to cover the deficit.

The details of expenditure are as follow:—Imperial Household expenses, Yen 4,500,000, Department of Foreign Affairs, Yen 19,524,000, Department of Home Affairs, Yen 143,900,000 Department of Finance, Yen 317,296,000, Department of War, Yen 216,526,000, Department of Navy, Yen 239,064,000, Department of Justice, Yen 31,531,000, Department of Education, Yen 133,858,000, Department of Agriculture and Forestry, Yen 54,658,000, Department of Commerce and Industry, Yen 10,223,000, Department of Communications, Yen 338,197,000, and Department of Overseas Affairs, Yen 22,363,000.

## S. M. R. Railway Trying to Raise Loan in London

A Tokyo Message April 3 stated that the Yen 60,000,000 foreign loan of the South Manchuria Railway Company becomes due July 23, next. So far, the Japanese Government have been purchasing export bills in order to repay said foreign loan, through the Yokohama Specie Bank, however, a part of said loan is still uncovered.

The Government has instructed Mr. Tsushima, financial Commissioner at present in London, to try to raise a foreign loan to utilise it to cover said part of old loan.

## FERMENT IN MANCHURIA CONTINUES

THE Japanese occupation of parts of Manchuria, which began on the night of September 18 with the occupation of Mukden, has been blazoned to the world as being intended for the purpose of bringing "peace" to that part of the world. Up to this time the Japanese have only made confusion worse confounded and from present indications there will be continued fighting in the Three Eastern provinces for years to come. You can call them "bandits" as the Japanese do, or just plain patriotic citizens of their country who resent the occupation of their country by the Japanese as in most cases they are, but the fact remains that the Japanese with all their large forces and their modern equipment, are kept busy "keeping the situation in hand." An example of how things are going was to be found during the latter part of last week in the neighborhood of the town of Nungan, situated about 20 miles northwest of Changchun, (the so-called capital of the so-called State of Manchuria) when the "bandits" raided a Japanese supply train and made off with six truck loads of ammunition. Next day it was reported that the Kirin Self-Defence Army had captured the place. Of course they were not able to hold the town very long as the troops under General Chang Hai-feng were soon reinforced by the Japanese, who succeeded in driving the Kirin Self-Defence forces out of the

place in less than 24 hours mainly as a result of airplane bombing. The Kirin forces were driven out of Nungan on the afternoon of April 2, retiring in a northwesterly direction. No sooner had the situation at Nungan quietened down a bit than reports from the Chientao district, contiguous with the north-eastern frontier of Korea, indicated that a serious situation had arisen as a result of anti-Kirin troops, in combinations with so-called bandits and Communists, rising in rebellion against the new Manchurian administration. Thousands of Koreans and White Russian refugees were reported to be crossing the Tumen river into Korea, and as a result of the disturbing reports from that region the Minister of Overseas Affairs approached the Foreign Office in Tokyo with a request for the dispatch either of troops or police for "protection" purposes. A later dispatch stated that a part of the Japanese Army stationed in Korea had been dispatched to the Chientao district "for the purpose of protecting the lives and property of the Japanese residents there."

A Japanese telegram from Seoul April 5 stated that several hundred communist-bandits, "Tataohui," who have been active in Chientao, attacked Santaokow on the morning of April 4 and occupied it, but later on hearing that Japanese troops had reached Chientao, the bandits, under command of Wang Teh-lin, commenced to beat a retreat towards the north.

Other incidents that helped to keep the Manchurian pot boiling were the following:

Two Japanese airplanes circled over Peipiao last week and scattered handbills along the Chinchow-Chaoyang branch of the Peiping-Liaoning Railway, announcing that the so-called Mukden-Shanhaikwan Railway authorities will shortly take over and operate this Line, which runs to the Jehol border. The Peiping-Liaoning Railway Administration thereupon sent an urgent telegram to the Ministry of Railways for instructions.

The National Salvation Army under Wang Te-lin was reported last week to be engaged in severe fighting with the Japanese along the Kirin-Tunhua Railway.

According to a dispatch from Shanhaikwan, the Japanese military have forbidden the rural population of western Liaoning from sending their foodstuffs to the cities for sale. The object of the Japanese is believed to control the food supplies and prevent them from reaching the Chinese Volunteers.

A Japanese telegram from Changchun April 5 stated that three Japanese police, from the Japanese Consulate-General at Kirin, who had been despatched with their colleagues for the arrest of members of the farmer-communist party who had stirred up Panshih Prefecture in Kirin Province, were shot by the Chinese peace preservation corps at Santaokow.

A Harbin telegram April 3 stated that in spite of reported peace negotiations with General Ting Chao his troops remain very active along the eastern section of the Chinese Eastern railway. The previous day 3,000 of his men surrounded the station at Shihtowhotse and the settlement there. After a fierce battle the Manchukuo troops were forced to retreat, their casualties being very heavy. Later government reinforcements arrived and General Ting's men were forced to give way. They retreated towards Hengtaohotse, setting fire to the Shihtowhotse settlement before leaving. Russian bandits also are also stated to be active. One well armed band, after an attack with bombs, occupied the sub-station of Krivoi near Hailat two days previously. They seized warm clothes and foodstuffs and then decamped.

The Harbin-Suifenho section of the Chinese Eastern Railway was the scene of heavy fighting on the night of April 2. According to details given in a *Kuo Min* telegram, Japanese troops, under the cover of two armored trains, advanced towards Hailin, but as they reached the Motaoshih station, one train carrying supplies was derailed due to the removal of some rails by soldiers of the National Salvation Army. Several thousand of the Salvation troops then appeared and launched an attack on the Japanese.

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The outstanding feature of the situation in Manchuria is that diplomatic relations between the new State of Manchuria and the National Government are being formally severed. The situation was accentuated by the Minister of Foreign Affairs of the new State of Manchuria, Mr. Hsieh Kai-shih sending a formal Note on April 4 to Dr. Lo Wen-kan, Minister of Foreign Affairs at Nanking, refusing permission to Dr. Wellington Koo, the well known Chinese publicist, to accompany the League Enquiry Commission on its visit to Manchuria. The Manchurian Note was couched in terms which assumed that the National Government of China was that of a foreign country. The Manchurian Note made it clear that one of the principal reasons why it objected to receiving Dr. Koo was that he had accused the new Manchurian Government of being a "puppet" government and thus his visit would be detrimental to the future establishing of friendly relations between the two countries.

A telegram from Harbin April 5 stated that the flag of Manchukuo has been hoisted alongside that of the Soviet on the Chinese Eastern railway. It is reported that this has been done in accordance with instructions from Moscow and it is believed that this is the first step towards Soviet recognition of the new state of Manchukuo.

The scale of pay for the officials of the new Manchurian State, which was recently fixed, reveals that Manchurian officials are given enviably liberal pay compared with Japanese officials serving the Japanese government. Whereas a Japanese Minister of State is paid Yen 6,000 annually, a Manchurian Minister is given 20,000 yuan and as a Mukden telegram in the *Japan Chronicle* points out, the rates of Yen and Yuan are almost at par due to the recent rise of silver, and thus the Ministers in Manchuria are given about three times as much as their brothers in Japan.

Recent advices from Tokyo stated that the Japanese Ministry of Foreign Affairs has drafted a program for the expansion of Japanese official organs in Manchuria, designed to afford protection to Japanese and Korean immigrants to be sent into Manchukuo. According to the plans prepared, four more consulates, five sub-consulates and 11 sub-police stations will be established during 1932. The cost of this program, together with provision for the increase of Japanese policemen in Manchuria, is placed at Y.10,000,000 for the year. The new consulates are to be established at Tunhwa, Ninguta, Taoan and Hailung.

A *Kuo Min* message from Nanking March 31 stated that since the Japanese invasion of Manchuria last September and their forcible entry into the Liaoning District Inspectorate Office on September 19, and owing, subsequently, to their interference with its administrative authority, the District Inspectorate Office has been laboring under great difficulties. However, the Inspectorate Office was allowed to carry on its collecting functions and to remit its foreign loan quotas to the Chief Inspectorate in Shanghai.

The Japanese Cabinet on April 5 approved the despatch of the remainder of the 8th and 10th Divisions to Manchuria. Although it was originally intended to withdraw the whole of the 20th Division to Korea, it has now been decided temporarily to leave one brigade of that division in Manchuria. This means that the reliefs will actually entail an increase of one brigade in Manchuria, giving Japan a total strength of five divisions, plus auxiliary units in Manchuria and Korea combined, as compared with the present equivalent of only four divisions. According to a statement by the Japanese War Office, the retention of the Korean brigade in Manchuria is due to the necessity "to suppress banditry over an extensive area."

## IS THE RUSSIAN "WHITE-GUARD" SCHEME A MYTH?

GENERAL Honjo, the Japanese war-lord dictator in Mukden recently declared in the course of an interview (*North-China Daily News* March 31) in Harbin that "no Russian detachments are being formed in the Japanese Army and we have no intention of forming any such." Continuing, Gen. Honjo stated that the Japanese Army could not "of course" take any part in the political aspirations of the Russian emigrants, "but these emigrants can count upon the Japanese Army to assist them in freeing themselves from incorrect oppression from whatever source it may come....in the present position of the Japanese Army and Japan as a whole, no material support can be given to them....Japan in no case can assist in the political work of the Russian emigrants....As regards their taking up citizenship in the new state, I must refrain from giving any kind of advice as this concerns only the new state and the emigrants themselves." In concluding the interview Gen. Honjo paid a high eulogy to the steadfastness and valor of the old Russian army with which he was associated for a considerable time during the World War.

So much for Gen. Honjo's views expressed for public consumption. We next turn to the *Manchuria Daily News*, official organ of the Japanese controlled South Manchuria Railway and the Japanese military clique. Here we find the same subject discussed under the heading, "The White Guard Myth," (Issue of March 18) wherein it is admitted that "there are some uniformed Russians in Manchuria, but listen to the real story of their existence." The reader is then informed that following the occupation of Chinchow by the Japanese Army it was necessary to guard the railway against bandits and wreckers. Since the Japanese "had all along expressed their intention of withdrawing in due course and the Chinese administration then in existence at Mukden was not in a position to assume responsibility for guarding the railway (Peiping-Mukden line, containing heavy British capital investment), it was therefore proposed to form a temporary organization for the purpose of keeping the railway safe for Manchuria and for British interests whose money is therein invested . . . . A small body of Russians was therefore organized, but their existence, by no stretch of the imagination can be described as a threat against Russia, an affront to the Chinese or menace to anybody but railway-zone bandits." Continuing, it was explained that this force at present numbers "considerably less than 150 employed on one small section of railway . . . . "

M. Molotov, president of the Council of People's Commissaries, in an address in Moscow on April 5 declared that the "imperialists" were openly reviving some of the adventurers in the White Guard camp and that certain White Guards "were busily engaged" in hatching plans to sever the Maritime Province from the Soviet Union and establish there a White Guard "buffer" state to fight the U. S. S. R. with foreign imperialist aid. Whether there is anything substantial behind these so-called White Guard schemes cannot be said at this time, but there seems to be little question but what the Japanese military adventure into North Manchuria has again stirred up talk over the world about White interventionist plans. Reports to this effect have appeared in newspapers published in Shanghai and other parts of the world by Russian emigrees. Knowing the feeling which prevails among the Russian emigrees toward the present rulers of Russia, this is but natural, but on the other hand we doubt whether many of the emigrees have any illusions about Japanese support. If the Japanese go into the Maritime Province it will not be for the purpose of helping the White Russians, but for the purely selfish purposes of the Imperial Empire of Japan. Japan might "use" the Russian emigrees, just as she did in the previous interventionist movement in 1919, but this wouldn't help the emigrees in any possible manner. Those who may have any doubts on the question are urged to read, "America's Siberian Adventure" by Gen. William S. Graves (Jonathon Cape and Harrison Smith) New York.

However, up to the present most of the talk about White Guard movements are little more than rumor and speculation. Dr. A. G. U. Pozzy de Besta, a Swiss citizen, speaking at the foreign Y.M.C.A. in Shanghai (*Shanghai Times*, March 31) said, "I am of the opinion there is no necessity for a war between Japan and Russia either now or in the near future. The Far Eastern provinces are not vital to Russia. Russia possesses all the riches of the world and I do not think she would fight a deadly war for Eastern Siberia. If Japan follows her policy of putting up puppet states, she will easily obtain her aims in Siberia by promoting some kind of an independent Siberian state. There are plenty of well-trained 'White' Russian soldiers who would gladly fight for Japan's policy. And, as I have already emphasized, Japan would most likely be entirely satisfied with the virtual control of such a puppet state, but she would not be able to take over those vast territories for her overflowing population." Mr. Besta was formerly connected with one of the League commissions but recently has been teaching law in a Chinese school.

# No Peace or Prosperity Until Japanese Withdraw

SHOULD the Japanese pull out of Shanghai tomorrow and take some revolutionary action that would appease Chinese animosities in respect to Manchuria it still would require a long time for Shanghai to recover from the shock which it received as a result of the Japanese invasion. But since there is little likelihood of the Japanese withdrawing from Shanghai and much less likelihood of the present regime in Tokyo doing anything about Manchuria except to further consolidate Japan's position, the outlook for Shanghai is not bright. Rather, we would say it is distinctly dark and while most persons are talking optimistically in public it is the sort of conversation described in the phrase, "talking to keep up one's courage."

No one has yet successfully estimated the actual losses resulting from Japan's campaign of destruction over an area of some 500 square miles including probably the most densely populated rural and urban territory on the earth's surface. The Chinese Government Bureau of Statistics estimates the loss at a billion and a half Chinese dollars or about $400,000,000 in American gold currency. The Bureau of Public Safety of the Chinese Municipality of Greater Shanghai estimates that some 800,000 Chinese residents of the Japanese-occupied zone have fled into the interior of the country. The exact population of this area prior to the Japanese occupation is unknown, but has been estimated at one million; hence if 800,000 have fled into the interior, it probably is safe to say that more than fifty percent of the 200,000 remaining have removed into the foreign settlements or into the Nantao section of the Chinese city. A trip through the various towns and villages which have not been entirely destroyed, shows only a few persons, usually old men and women, still remaining. The writer recently visited Liuho which may have had a population of ten or fifteen thousand prior to the Japanese occupation. The writer only found five or six Chinese in the entire place, one being a farm boy who was bound hand and foot and was being questioned by the Japanese military on suspicion that he was a "sniper." In Kiating only three Chinese were found. In the fields along the roads were observed a few farmers, mostly elderly persons, who were trying to tend the spring crops, but generally the fields lacked their usual trim appearance at this time of year. It is no exaggeration to say that this extensive section of once densely populated and prosperous Chinese territory is now practically denuded of people. Most of the towns and even isolated farm houses are being used as billets for the Japanese Army. Towns such as Tazang and Luti on the road to Liuho are garrisoned with Japanese troops while the vacant spaces adjacent to the road are filled with war equipment. In Kating one vacant space practically a square block is filled with heavy artillery. In some of the towns the main street or road is crowded with army trucks and carts to such an extent that it is almost impossible for one to drive through in a motor car. Even though the element of fear could be removed, it would be impossible for the Chinese inhabitants to return to their homes under such conditions.

One day in walking about in Chapei in a devastated area practically a mile square, the writer saw two Chinese, apparently a shop-keeper and his assistant wandering along one of the streets. When asked his business the Chinese produced a card showing that he had been the proprietor of a small shop in that area. He had been a cigarette dealer and in addition had operated a small money-exchange shop. Finally he found the place where his business had been located and like everything else in that area nothing remained except a pile of brick and tiles and some charred timbers. He estimated that his loss was $5000 and when asked about insurance, shrugged his shoulders and walked away. This shop-keeper was merely one of the thousands and tens of thousands of small dealers who have been wiped out and have no possible way of obtaining capital for resuming business.

Then there are the larger business establishments, small manufacturers, silk filiatures, weaving and spinning mills, machine-shops, etc., etc., with losses running from $50,000 upward to such institutions as the Commercial Press which suffered losses estimated at fifteen or twenty millions. Very few indeed of these people will be able to realize on their insurance and there is even less likelihood of the Chinese Government coming to the rescue. In Tokyo and Yokohama after the earthquake and fire of 1923 the situation was saved through a donation of some ten million gold dollars by philanthropic agencies in other countries, chiefly the United States. And while the League Commission is said to have this matter under consideration here, the economic depression prevailing over the world will make it extremely difficult to raise any considerable sum for Chinese rehabilitation.

We have no desire to take a pessimistic or alarmist attitude, but the facts speak for themselves. The destruction of wealth has been so great that Shanghai can't escape the consequences which point in the direction of a most serious and prolonged economic and financial depression—unless some means can be devised for outside relief in the form of a large loan that could be administered through some Sino-foreign joint commission. The foreign-administered sections of Shanghai, aside from a considerable section of Hongkew managed to escape much property damage, but the effect of the shock is evidenced in the foreign settlements in the general stagnation of business that prevails. The so-called native banks which conduct most of the financing of Chinese business are still closed and there is no telling when they will be able to re-open. And since the native banks are responsible for the financing of Chinese business, there can be no general resumption of business until they are able to re-open. For those readers who are not familiar with the business procedure here, it should be stated that the normal process is for a Chinese merchant to purchase goods from a foreign importer who cables his orders to manufacturers abroad. The manufacturer ships the goods and sends his bills and documents through a foreign bank. When the goods arrive the Chinese merchant is notified and obtains his money from a native bank to liquidate his obliga-

tion with the foreign importer and foreign bank. When the Chinese merchant cannot obtain money the whole process stops and the foreign bank and foreign importer are left holding the bag. This is the general situation which prevails in Shanghai today and it is no exaggeration to say that practically all normal business has stopped except in the necessities of life and even here most merchants are operating on a hand-to-mouth basis. In other words, nobody is taking any chances on an uncertain future.

Then comes the matter of the larger industries, the large-scale manufacturing institutions, the chief of which are the Japanese cotton mills. All remain closed and the number of laborers without jobs has been estimated as high as 180,000 to 200,000. Many Chinese and foreign (neutral) factories are still operating on limited scale, but since the dealers are apprehensive regarding the future, there is little prospect of business revival. Once during the most serious phases of the Sino-Japanese conflict it was freely predicted that it might be necessary to evacuate all foreigners from Shanghai. Now, unless some radical improvement takes place shortly, the evacuation of foreigners or a considerable percentage of them remains a possibility—not on wholesale lines, through foreign agencies, but purely because of the inability of foreigners to earn a living here under present conditions. The Chinese newspapers report a decrease of practically 80 percent in advertising revenues and this figure corresponds quite accurately with the figures of general business decrease recently issued by the Chinese bankers.

The direct cause of this situation rests most definitely and indisputably upon the doorsteps of the Japanese who inaugurated their mad military campaign of revenge and destruction on the night of January 28. Of course they do not admit it officially, but the fact that the Japanese Government has decided to appropriate the sum of Yen 15,000,000 for the relief of their own merchants here, speaks eloquently of the seriousness of the situation from their own private standpoint. Also, it is of interest to record that Japanese shop-keepers in the Hongkew section of the International Settlement have demanded from one to two months remission of rent from Chinese and foreign property-owners in that section. Chinese shop-keepers throughout the Settlements are reported to have demanded two months' remission of rentals from their landlords.

Whether there is any early recovery of business, even to a small percentage of the previous normalcy, depends entirely upon the evacuation of the Japanese troops. And this applies inside the Settlements as well as outside and most especially in the Hongkew section of the International Settlement. Many responsible Chinese declare that the Hongkew section never will recover its prosperity so long as the Japanese insist upon controlling the policing of that area. Thousands of Chinese shops in that district have removed their businesses to the section of the International Settlement south of Soochow creek or to the French Concession. It is unnecessary to state the reason to anyone familiar with the regin of terror that prevailed in that section during the height of the crisis. Few Chinese ever will forget the days and nights when gangs of Japanese rowdies and thugs roamed the streets and beat up or murdered all Chinese who got in their way. The Japanese, who have most of their retail enterprises in that district are themselves paying the penalty for their actions and they will continue to pay until there has been such a fundamental change in Japanese policy that will bring about a renewal of Chinese respect and confidence.

The uncertainty which prevails in the Hongkew section, once the most prosperous part of the city, is attested by the general slump in the real-estate market. Actually no business of consequence has been done since the beginning of the trouble and while some real-estate men talk optimistically or to use a common expression "put on a bold front," actually there is no business and no one can even quote prices except on a basis of prices that prevailed before the trouble. There is a report that the Japanese are beginning to take advantage of the Chinese property-owners in Chapei who have been bankrupted, to purchase their properties, but this officially-fostered move on the part of the Japanese will benefit no one else and will not even benefit the Japanese until there has been a change in Japanese policy. The situation which now prevails in the Japanese-controlled sections was fittingly described by a foreigner, who recently contributed the following letter to the correspondence column of the *North-China Daily News*.

> "The condition of Chapei and Hongkew under Japanese domination is one that demands immediate investigation and change. Whether or not the Japanese military and the Japanese Government are directly involved in what is being done, is beside the point. There is no doubt of their direct responsibility for the situation that has followed Japanese occupation of the section, and relief, at present, can come only from the same source.
>
> "The fact of the matter is, that Japanese "ronins" and other civilians are working with a body of Kompo Chinese to control all mill and other operations in Chapei, and a mill owner who does not subscribe to their demands for cash, is refused permission to operate, and his mill is threatened with destruction.
>
> "A Japanese Admiral issues passes to Chapei, and the "ronins" refuse to recognize them. Return to the Admiral brings no redress, only "There must be some mistake" or a similar valueless remark. Ten days ago, the Japanese were refusing to permit the Telephone Company to string wires in Hongkew. Just a day or two ago, a Chinese reported to me that the Japanese were preventing him from moving his factory from Chapei into the Settlement. He cannot get electric power to operate in Chapei nor can he get the necessary mill hands, so, having found a suitable site in the Settlement, he made preparations to move his machinery from Chapei. Thereupon the Japanese stepped in, and told him that he would not be allowed to move. So this mill-owner is forced to see his plant and his capital tied up so that they cannot function, and he cannot resume business, or take delivery of his shipments of materials at the wharves.
>
> "It is this kind of action that is paralysing business, and voiding the efforts of those who are striving for a return to normalcy. It is all very well to cry "Business as usual," but first there must be a return to "conditions as usual." When those in power present such obstacles as these, one can hardly expect improvement. The incident that I have mentioned is only one example of a condition that is general, a condition that has been brought about entirely through Japanese "protection of her nationals" and a condition that I fear will continue until the "protecting" Japanese forces are withdrawn to Japan."

Also, it should be stated in conclusion that a settlement of the local complications is being complicated by a thinly-disguised campaign on the part of certain local interests to take ad-

vantage of the presence of the Japanese Army to put over schemes for further aggression on Chinese territory through extension of the settlement area. This point was made clear in a recent editorial which appeared in the *North-China Daily News* on March 31 to the following effect:

> Under the heading of "Shanghai Powers' Plan Exposed," the following despatch from W. N. Ewer at Geneva, was published in the *Daily Herald* of March 8:
>
> The big Council Powers began to show their hands in the League Assembly to-day, and to-morrow should see something like a decisive fight.
>
> They want to get rid of the Assembly after allowing it to pass a pious resolution. They want the settlement of the Shanghai affair to be handed over to the "Shanghai Powers."
>
> They want the Manchurian question to be shelved until the Lytton Commission has reported.
>
> And they want all this to be done without insisting on the prior withdrawal of the Japanese.
>
> The suspicion is growing that the Shanghai Powers would like to use the presence of the Japanese as a lever to extract from China new privileges and new concessions for themselves, as well as for Japan.
>
> The Council Powers have not succeeded in getting rid of the Assembly, nor have the actions of the Assembly been limited to the passage of pious resolutions, but the point which is of the utmost importance to Shanghai is that every care should be taken to prevent itself being misunderstood either in China itself, or at Geneva. It is becoming daily clearer that whatever natural hopes and plans there may be for the improvement of the status of Shanghai, and the establishment of precautions against the happenings of the past two months, they will fail to obtain adequate support abroad if any impression is gained that tactics employed could, by any stretch of language be described as predatory or justifying the suspicion to which Mr. Ewer refers.

# Chinese-Japanese Peace Negotiations Without Result

THE exigencies of producing a weekly newspaper make it necessary to comment on events on the basis of a state of affairs which afterwards may change. At the time these lines are written the peace negotiations between the Chinese and Japanese delegates are still dragging along without any result, and there is no telling whether by the time this copy of *The Review* comes into the hands of its readers a definite agreement will have been reached and comparative quiet may reign for some time in the Shanghai neighborhood, or whether because of a definite rupture of negotiations hostilities may break out on a more extended scale than ever. The outstanding feature of the negotiations during the past week or more has been that the Japanese have been making "concessions," that is, they have day after day shortened the line which they want their troops to occupy, but at the same time refusing the Chinese demand for an absolutely definite time for withdrawal and also refusing the demand that the Japanese troops withdraw into the Foreign Settlement or into the immediate neighborhood. Despite the fact that the Chinese military situation is far inferior to that of the Japanese, the Chinese delegates, and behind them is the insistent demand of the Chinese people, have consistently held out for a definite date for the Japanese withdrawal in addition to other demands of less importance. In the meantime reports from various parts of China indicate that the Chinese military forces are preparing for eventualities. The Cantonese are raising funds to increase their air forces and the Nineteenth Army in a recent circular appealed to the public to supply them immediately with 44,000 poison-gas masks, 4,000 of which are for the use of officers and 40,000 for the use of soldiers. Meetings of the main conference of the peace delegates and of the members of the military sub-committee took place at various times during the week. The main conferences were attended by Mr. Quo Tai-chi, Political Vice-Minister of Foreign Affairs; General Tai Chi, Commander of the Shanghai and Woosung Garrison Forces; Mr. M. Shigemitsu, Japanese Minister to China; Lieut. Gen. K. Uyeda, Commander of the Ninth Division; with the Minister of four friendly Powers lending their co-operation. Samuel H. Chang, chief of the Intelligence Department also attended, assisting the Chinese delegation.

The military sub-committee was attended by Gen. Huang Chang, chief-of-staff to the 19th Route Army; Mr. T. W. Kwok, counsellor to the Shanghai and Woosung Garrison Headquarters and also to the 19th Route Army; Mayor-General K. Tashiro, Chief-of-staff of Japanese forces in Shanghai; and Capt. Kita; with the military attaches of the same four friendly Powers (U.S.A., Britain, France and Italy) assisting.

The meetings held April 4 were typical of the others. There was a great deal of discussion, but the result can be stated in a few words, namely that the Chinese and Japanese have not come to an agreement on anything of consequence. The Japanese demanded firmly that no Chinese troops should be stationed in Pootung and south of the Soochow creek. Mr. Quo objected to such an arrangement on principle, saying that a discussion of such a proposal could not be entertained by the Chinese delegation. Unless the Japanese wanted to land troops in Pootung or to attempt to cross the Soochow Creek, no contact between the two opposing forces, which are separated from each other by the Whangpoo River and the Creek, was possible, he explained. The Japanese insisted that the withdrawal of the Chinese troops from these two areas was of major importance from a military point of view.

Through the mediation of the neutral delegates and further consideration by both sides, the new proposal was finally laid aside after two hours' argument. The question of the time limit for the complete withdrawal of the Japanese troops was then taken up for discussion. Mr. Quo demanded that a time limit be fixed for the withdrawal of the Japanese troops into the settlement. This was opposed by the Japanese delegation. After deliberation, the Japanese delegates agreed to make a statement assuring the Chinese Government and people to finally withdraw their troops as soon as the situation returns to normal and provided a guarantee for the safety of the Japanese lives and property was amply provided for. The only problem discussed by the military sub-committee dealt with the localities where part of the Japanese troops were to be stationed after the initial withdrawal. Both the Chinese and Japanese delegates, after the meeting, admitted that their views were conflicting and that much difficulty was experienced in coming to an agreement.

Thus, the situation remains pretty much as it was a week ago, with no immediate prospects of a settlement in sight. In the meantime meetings of various Chinese public bodies held during the week have denounced the present trend of the peace negotiations between the Japanese and Chinese delegates and insisted upon the complete withdrawal of the Japanese forces, unconditionally. At a meeting of one body, claiming to represent 3,000,000 Chinese in the Shanghai area, a resolution was passed denouncing as "traitors" Chinese diplomats who agree to the stationing of Japanese troops in the Shanghai area under any conditions. A letter of "warning" to Mr. Quo Tai-chi is reported to have been dispatched. Other meetings carried resolutions threatening to withhold payment of rents until the Japanese have withdrawn from the occupied areas. Others demand that the barbed wire entanglements in certain districts be removed before rents or taxes are paid. Thirteen influential public bodies in Shanghai including the Shanghai Special District Citizens Federation, Shanghai Federation of Street Unions, Chinese Ratepayers Associations in both the Settlement and French Concession, sent two telegrams, one to Mr. Lin Sen, chairman of the National Government, and the other to General Chiang Kai-shek, chairman of the National Military Council, urging them faithfully to follow the policy of "long resistance against Japanese aggression." Rumors were persistent that Mr. Qui Tai-chi, in view of the agitation, was on the point of resigning his post as Vice Minister of Foreign Affairs.

A spokesman of the Japanese Consulate General in Shanghai is quoted by the *China Press* as saying that the Japanese troops will in any event be kept here for some time, whether for three months or ten years could not be foreseen at the present time.

## General Booth Reviews 31st Infantry Regiment in Shanghai

Major General Ewing E. Booth, the newly appointed Commander of the Philippine Department of the United States Army, passed through Shanghai on the Dollar liner *President Hoover* end of last week. During his stay here he reviewed the 31st Infantry Regiment which is temporarily on duty here. The review took place on the Public Recreation Ground on the morning of April 1. After complimenting the officers and men on their martial appearance, General Booth conveyed to the Regiment his assurance that the United States Government had every confidence in its ability to represent American honor and interests in the Orient in a worthy manner. Continuing his brief adddress, the general touched on various military topics of interest to the officers and voiced his belief that the army is prepared to play its part in the economy program of the present Washington administration.

## Japanese War Prisoner Commits Suicide After Release

Although it was mentioned several weeks ago that no prisoners were taken during the recent hostilities, it would seem from recent information that such a statement was somewhat of an exaggeration. One of the prisoners taken by the Chinese in the operations near Kiangwan was a Japanese Major named Kuga. He was wounded and taken to Nanking. When he was released about two weeks ago he was brought before a Japanese court martial, and although the result of the findings was not made public, the verdict so much preyed on his mind that beginning of last week he proceeded to the spot where the Chinese had captured him and committed suicide. The Japanese army authorities are stated to be raising funds for the support of his family. More than a score of other Japanese prisoners were released by the Chinese at the same time that Major Kuga was released.

## Shanghai's Russian Regiment "Nails the Colors"

The so-called Shanghai Russian regiment, maintained by the Shanghai Municipal Council, of which three companies are on the payroll (the other being Volunteers mostly made up of young Russians), assembled at the Race Course on the afternoon April 2 when the ceremony of "Nailing the Colors" took place. The gymnasium was decorated with flags, while opposite the table on which the colors and the pike were laying, a portrait of the late Tsar was hanging. The ceremony, as described by the principal British organ in Shanghai, was "one of quiet dignity, and carried out before a file of men representing those to whom the new standard may probably mean as much in the days to come as its counterparts did to those regiments of old Russia of whom but a memory remains."

At the parade ground the troops of the regiment were inspected by Colonel Thoms, Major H. H. Thieme and Captain J. W. Hinchcliffe. The ceremony of consecration was performed by the Rev. Sergius Borodin. The orthodox Russian ritual was used, the regimental choir providing the musical responses. After the religious ceremony Father Borodin addressed the men on the significance of the ceremony and of the colors, which signified the continuance of the old spirit of Russia.

The presentation was made by Colonel Thoms. Major Thieme received the flag on bended knee and in turn presented the colors to Corporal Lenkoff, who knelt to receive the pike staff. Corporal Lenkoff then trooped the colors past the regiment.

## More Steps Towards the "Japonification" of Manchuria

A Tokyo telegram March 26 stated that offers for Japanese governmental officials and school teachers to take employment with the new Manchukuo Government have been extended through the Departments of Overseas Affairs and Education as well as the South Manchuria Railway Company. Several assistant professors from Japanese universities have already left for Manchuria to be instructors in the training schools for Government officials. It is states also that the new Government has adopted the Japanese language as its second national language "in order to bring the new national spirit of Manchukuo under the policy of racial good-will."

Press messages from Changchun report that the new Manchurian Government has decided to adopt the gold standard. The necessary reserves of gold, it is said, will be established by the working of the Manchurian gold mines, which will probably be State-controlled.

## Huge Arrivals of American Wheat Block Shanghai Waterway

Soochow creek, which empties into the Whangpoo at Shanghai, running between the International Settlement and Hongkew, and which thus formed the dividing line between the Japanese and other foreign forces during the recent troubles, was blocked for almost 48 hours during last week owing, partly, to the extra number of barges that came into the creek from the river loaded with large quantities of wheat which had recently arrived from the United States and which was being distributed to the various flour mills situated along the creek. The congestion was eventually eased by the River Police compelling the large accumulation of barges at the mouth of the creek to seek other mooring places.

## A German's Strange Bequest to China Is to Be Contested

A recent Berlin message states that a stiff legal encounter is promised before the Chinese authorities to secure the fortune of an old German, Heinrich Basse, who bequeathed half a million sterling to China "to be used for the struggle against Europeans." The news of the bequest reached the ears of two relatives of the late Basse, living at Bonn, Breslau, who promptly lodged a counter-claim arguing that for a European to leave money for China and for a millionaire to leave it for the carrying on of the work of anti-Imperialism proves the mental instability of the deceased.

# What the Ships Carry between America and China

## Return of the Shanghai Customs

*Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs Pieces; Mille—thousands.*

### INDIEN, February 4.

(Agents: Furness (Far East), Ltd.)

From U. S. of America.

| | | |
|---|---|---|
| Herrings, Salt | *Pls.* | 7,250 |
| Wheat | ,, | 116,588 |

### EMPRESS OF RUSSIA, Feb. 5.

(Agents: Canadian Pacific S.S. Co. Ltd.)

From U. S. of America.

| | | |
|---|---|---|
| Barley, Pearl | *Pls.* | 42 |
| Flour, Wheat | ,, | 562 |
| Ink, Printing | ,, | 118 |
| Rolled Oats | ,, | 99 |
| Rubber Tires, Pneumatic: | | |
| For Motor-cars | *Pcs.* | 470 |

### PRESIDENT McKINLEY, February 5.

(Agents: Robert Dollar Co.)

To U. S. of America.

| | | |
|---|---|---|
| Tea, Green: | | |
| Gunpowder, Ningpo... | *Pls.* | 83 |
| Silk, Raw, Steam Filature: | | |
| White, Shanghai *Bls.* 95 | ,, | 93.94 |
| Silk Piece Goods | ,, | 8 45 |
| ,, Pongees, Honan | ,, | 42,06 |
| Feathers, Duck | ,, | 30 |
| ,, Goose | ,, | 30 |
| Hair, Human | ,, | 97 |
| Skins, Goat, Untanned | ,, | 358 |
| Hats, Buntal Fibre | *Pcs.* | 21,600 |
| ,, Hemp | ,, | 14,400 |
| Skins, Weasel, with Tails, Untanned | ,, | 8,000 |
| ,, Sheep, Untanned | ,, | 6,000 |
| ,, Lamb | ,, | 9,000 |

### PRESIDENT GRANT, Feb. 6.

(Agents: Robert Dollar Co.)

Form U. S. of America.

| | | |
|---|---|---|
| Motor-cars, and Chassis of | *Pcs.* | 36 |
| Zinc Plates | *Pls.* | 29 |
| Asphalt | ,, | 1,732 |
| Asparagus, | ,, | 11 |
| Bronze Powder | ,, | 31 |
| Cheese | ,, | 26 |
| Fruits, Dried | ,, | 14 |
| ,, Table and Pie | ,, | 3 |
| Indigo Paste, Artificial: | | |
| 20 per cent. stength | ,, | 22 |
| Ink, Printing | ,, | 2 |
| Pitch | ,, | 309 |
| Milk, Evaporated | ,, | 72 |
| ,, Condensed | ,, | 57 |
| Macaroni | ,, | 3 |
| Paper, Document | ,, | 39 |
| ,, Writing | ,, | 36 |
| Sugar, Duteh Standard No. 18 and over | ,, | 7 |
| Shrimps, Dried | ,, | 80 |
| Ultramarine Blue | ,, | 6 |
| Lemons, Fresh | *Mille* | 30 |
| Oil, Lubricating, Mineral | *Galls.* | 29,387 |
| Dyes, Aniline | *Pkgs.* 143 *G. Units* | 10,714 |
| Automobiles, Parts of | ,, | 1,992 |
| Machinery, & Parts of | ,, | 5,510 |

### TRIUMPH, February 6.

(Agents: States S. S. Co.)

To U. S. of America.

| | | |
|---|---|---|
| Tea, Black, other kinds, Kiukiang | *Pls.* | 100 |
| Tea, Green: | | |
| Gunpowder, Ningpo... | ,, | 974 |
| Skins, Goat, Untanned... | ,, | 443 |

### EMPRESS OF ASIA, February 6.

(Agents: Canadian Pacific S.S. Co. Ltd.)

To U. S. of America.

| | | |
|---|---|---|
| Tea, Black, other kinds, Kiukiang etc. | *Pls.* | 163 |
| Tea, Green: | | |
| Gunpower, Ningpo ... | ,, | 269 |
| Silk, Raw, Steam Filature: | | |
| White, Shanghai *Bls.* 25 | ,, | 25.26 |
| Feathers, Duck | ,, | 50 |
| ,, Goose | ,, | 103 |
| Hair, Human | ,, | 75 |
| Skins, Raccoon, Untanned | *Pcs.* | 1,447 |
| ,, Weasel, with Tails, Untanned | ,, | 87,230 |
| Skins, Lamb, Untanned.. | ,, | 3,118 |

### MALAYAN PRINCE Feb. 8.

(Agents: Furness (Far East), Ltd.)

From U. S. of America.

| | | |
|---|---|---|
| Iron and Steel, Ungalvanized: | | |
| Channels | *Pls.* | 19 |
| Expanded Metal | ,, | 353 |
| Borax, Crystal | ,, | 420 |
| Petrolatum | ,, | 48 |
| Tobacco, Leaf | ,, | 3,882 |
| Oil, Lubricating, Mineral | *Galls.* | 5,554 |
| Paints | ,, | 726 |
| Motor-cars | *Pcs.* | 3 |
| Motor-truck Chassis | ,, | 4 |
| Machinery | *G. Units* | 16,023 |

### CORNEVILLE, February 8.

(Agents: O. Thoresen & Co.)

From U. S. of America.

| | | |
|---|---|---|
| Flour, Wheat | *Pls.* | 67,253 |
| Milk, Condensed | ,, | 27 |
| Newspapers, Old | ,, | 1,050 |

### SILVERWILLOW, February 9.

Agents: Glen Line Eastern Agencies, Ltd.

From U. S. of America.

| | | |
|---|---|---|
| Cotton, Raw... | *Bls.* 1,050 *Pls.* | 3,792 |
| Asphalt | ,, | 1,681 |
| Grease, Lubricating, Mineral | ,, | 78 |
| Gum Resin | ,, | 1,329 |
| Indigo Paste, Artificial: | | |
| 50 per cent. stength | ,, | 38 |
| Tobacco, Leaf | ,, | 7,042 |
| Machines, Sewing | *Pcs.* | 1 |
| Oil, Lubricating, Mineral | *Galls.* | 20,874 |
| Machinery | *G. Units* | 7,294 |

### PRESIDENT CLEVELAND, February 10.

From U. S. of America.

| | | |
|---|---|---|
| Apples, Fresh | *Pls.* | 1,150 |
| Flour, Wheat | ,, | 397 |
| Milk, Evaporated | ,, | 276 |
| Molasses | ,, | 19 |
| Soda Caustic | ,, | 1,680 |
| Motor-cars | *Pcs.* | 3 |
| Motor-trucks | ,, | 8 |
| Rubber Tires, Pneumatic: | | |
| For Motor Cars & Truck | ,, | 7 |
| Machinery | *G. Units* | 2,225 |
| Motor Cars and Trucks, Parts of | ,, | 633 |

### TUSCALOOSA CITY, Feb. 11.

(Agents: Isthmian S. S. Line.)

From U. S. of America.

| | | |
|---|---|---|
| Iron and Steel, Ungalvanized: | | |
| Tinned Plates, Plain... | *Pls.* | 545 |
| Nails, Wire | ,, | 1,500 |
| Iron and Steel, Galvanized: | | |
| Sheets, Plain | ,, | 197 |

### NICOLINE MAERSK, Feb. 12.

(Agents: Melchers & Co.)

To U. S. of America.

| | | |
|---|---|---|
| Feathers, Goose | *Pls.* | 46 |
| Skins, Goat, Untanned... | ,, | 237 |
| Mats, Rush | *Pcs.* | 11,006 |

### NORNE, February 13.

(Agents: Robert Dollar Co.)

From U. S. of America.

| | | |
|---|---|---|
| Timber: | | |
| Laths | *Pcs* | 217,900 |
| Ordinary, Masts and Spars | *Sup ft.* | 45,648 |
| Softwood: | | |
| Ordinary, Sawn | ,, | 3,077,517 |
| Clear | ,, | 120,685 |
| Merchantable | ,, | 504,967 |

### DALWORTH, February 15.

(Agents: Dodwell & Co.)

From U. S. of America.

| | | |
|---|---|---|
| Cotton, Raw... | *Bls.* 100 *Pls.* | 371 |

### CALIFORNIA, February 16.

(Agents: States S.S. Co.)

From U. S. of America.

| | | |
|---|---|---|
| Paper, Bond | *Pls.* | 38 |
| ,, Common Printing | ,, | 358 |
| Timber, Softwood: | | |
| Ordinary, Sawn ... | *Sup.ft* | 857,620 |

### TEXAS, February 16.

(Agents: States S.S. Co.)

Form U. S. of America.

| | | |
|---|---|---|
| Timber, Softwood: | | |
| Merchantable | *Sup.ft.* | 102,115 |
| Ordinary, Sawn ... | ,, | 1,322,101 |

### PRESIDENT GRANT, Feb. 19.

(Agents: Robert Dollar Co.)

To U. S. of America.

| | | |
|---|---|---|
| Silk Piece Goods | *Pls.* | 3.04 |
| ,, Pongees, Honan | ,, | 57.57 |
| Bristles, Assorted | ,, | 109 |
| Brassware | ,, | 12 |
| Chinaware Fine | ,, | 21 |
| Feathers, Goose | ,, | 11 |
| Skins, Sheep, Untanned | *Pcs.* | 16,000 |
| ,, Lamb, ,, ,, | | 400 |
| ,, Weasel, ,, ,, | | 2,000 |
| Treasure: | | |
| Gold Bars | *Hk. Tls* | 4,000,000 |

### TAIYIN, February 19.

(Agents: Dodwell & Co.)

From U. S. of America.

| | | |
|---|---|---|
| Cotton Sheetings: | | |
| Grey, 15½ lb. | *Pcs.* | 100 |
| Machines, Sewing | ,, | 30 |
| Tobacco, Leaf | *Pls.* | 5,898 |
| ,, Prepared | ,, | 12 |
| Banking Powder | *Dzn.* | 557 |
| Alcohol | *Galls.* | 251 |

### CITY OF VANCOUVER, Feb. 20.

(Agents: Lloyd Everett, Incorporated)

From U. S. of America.

| | | |
|---|---|---|
| Flour Wheat | *Pls.* | 65,874 |
| Wheat | ,, | 50,400 |

### PRESIDENT LINCOLN, Feb. 20.

(Agents: Robert Dollar Co.)

From U. S. of America.

| | | |
|---|---|---|
| Fruits Table and Pie | *Pls.* | 9 |
| Raisins | ,, | 9 |
| Wax, Paraffin | ,, | 84 |

### PRESIDENT LINCOLN, Feb. 20.

(Agents: Robert Dollar Co.)

From U. S. of America.

| | | |
|---|---|---|
| Motor cars | *Pcs.* | 9 |
| Motor-trucks and Chassis of | ,, | 10 |
| Rubber Tires: | | |
| For Motor-cars | ,, | 10 |
| Rubber Inner Tubes: | | |
| For Motor-cars | ,, | 30 |
| Machines, Sewing | ,, | 26 |
| Waterproof Cloth, Rubbered | *Yds.* | 150 |
| Fruits, Dried | *Pls.* | 8 |
| ,, Table and Pie | ,, | 3 |
| Glycerine | ,, | 21 |
| Grapes, Fresh | ,, | 11 |
| Ink Writing | ,, | 32 |
| Macaroni | ,, | 4 |
| Newspapers, Old | ,, | 2,625 |
| Oranges, Fresh | ,, | 22 |
| Pitch | ,, | 319 |
| Paperboard, Unclassed | ,, | 490 |
| Raisins | ,, | 28 |
| Sugar, of Milk | ,, | 50 |
| Soap, Household | ,, | 23 |
| Wax, Paraffin | ,, | 84 |
| Oil, Lubricating, Mineral | *Galls.* | 2,493 |
| ,, Linseed | ,, | 274 |
| Lemons, Fresh | *Kaille* | 44 |
| Dyes, Aniline | *Pkgs.* 233 *G. Units* | 27,147 |
| Machinery, & Parts of | ,, | 39,821 |

### PRESIDENT CLEVELAND, February 22.

(Agents: Robert Dollar Co.)

To U. S. of America.

| | | |
|---|---|---|
| Silk, Raw, Steam Filature: | | |
| White, Shanghai *Bls.* 45 | ,, | 43.89 |
| Bristles, Assorted | ,, | 31 |
| Skins, Raccoon, Untanned | *Pcs.* | 160 |
| ,, Lamb, | ,, | 1,111 |
| ,, Weasel, | ,, | 16,377 |

### GOLDEN HORN, February 23.

(Agents: States S. S. Co.)

From U. S. of America.

| | | |
|---|---|---|
| Flour, Wheat | *Pls.* | 12,128 |
| Paper, Chipboard | ,, | 11,789 |
| Oil, Lubricating, Mineral | *Galls.* | 5,482 |
| Timber, Softwood: | | |
| Merchantable | *Sup.ft.* | 565,575 |
| Ordinary, Sawn | ,, | 199,928 |
| Logs | ,, | 489,384 |
| Timber: Laths | *Pcs.* | 253,500 |

### PRESIDENT TAFT, Feb. 24.

(Agents: Robert Dollar Co.)

From U. S. of America.

| | | |
|---|---|---|
| Apples, Fresh | *Pls.* | 740 |
| Flour, Wheat | ,, | 331 |
| Hay | ,, | 381 |
| Oats | ,, | 9 |
| Oranges, Fresh | ,, | 4 |
| Paper, Bond | ,, | 186 |
| Paper, Common, Newsprint, in Rolls | ,, | 2,302 |
| Enamelled Ironware | *G Units* | 9,417 |
| Timber, Softwood: | | |
| Merchantable | *Sup.ft.* | 67,617 |
| Timber: Laths | *Pcs.* | 90,000 |

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60-202

# Chinese Government Versus Japanese Narcotic Traffickers

BY GARFIELD HUANG

*(The National Anti-Opium Association of China)*

READERS will recall that I have pointed out in my previous articles that under the protection of extraterritoriality, the Japanese nationals including Koreans and Formosans residing in China have been actively engaged in drug traffic in such important cities and ports as Shanghai, Tientsin, Dairen, Shenyang, Peiping, Tsingtao, Tsinan, Hankow, Foochow and Amoy. They have either established opium dens in open defiance of Chinese Anti-Opium laws and suppression acts or sold morphine, cocaine, heroin and similar narcotics, under the disguise of medical practitioners and drug dealers. These opium traffickers do not come under the jurisdiction of the local officialdom, and not infrequently do the Japanese consuls in the various ports protest against the searches at times conducted by the Chinese Police on the Japanese opium shops. There have been cases in which evidence was instantaneously seized during the search, on the strength of which the Chinese authorities lodged protests with the Japanese consuls—only to be turned down under flimsy pretexts. The Japanese consuls lose no effort to find excuses for exonerating their nationals who are found guilty of smuggling and, as a result, all efforts made by the Chinese to obtain a fair judgment from Japanese laws and law courts have proved worse than futile. The most important cases can be enumerated as follows:—

*(1) Case re transportation of heroin by Japanese Exchange at Dairen for trade in Tientsin, Shenyang, Shihkiachwang and Kirin.*

In 1928, the Chairman of the Board of Directors of the Dairen Produce Exchange with a number of Japanese were discovered to have been secretly engaged in the transportation to several cities in China of narcotic drugs including morphine, opium, heroin, etc. amounting in that year alone to Yen $1,380,000. The total sum of money invested in this illicit trade discovered before that year reached Y.$4,000,000 and upwards. It was found out that the headquarters of the traffickers were established at Dairen whence the drugs were shipped to Tientsin, Shenyang, Shihchiachwang and Kirin. The names of the traffickers who had been identified and prosecuted by the Chinese official prosecutors were Silokawa, Kawawua. The case involved Japanese authorities at Tokyo and Dairen and was reported in the papers at Dairen as one of the five sensational and yet unsettled cases at the port.

*(2) Case re manufacture of narcotics by Japanese at Hankow for transportation to the interior of China.*

In February 1929, the Japanese nationals at Hankow were discovered to have installed German-made machinery for the manufacture of morphine for secret transportation to the interior of China. It was reported by Dr. Wang King Ky, Chinese delegate to the League of Nations and the report was kept on record by the Chinese Government.

*(3) Case re sale of narcotics by upwards of a hundred Japanese commercial houses at Tsinan as discovered by the city Government.*

The proprietors of eight Japanese commercial houses at Tsinan, namely Mutatoli of the North China Company, Omoli of the Hui Chung Dispensary, Kanenala of the Nagalio Yoko, Saeki Saisiu of the Tailio Kesi, Tasima of the Tiencji Yoko, Saeku of the Siyasae Yoko Nonaga of the Tsinan Company, and Yamamijo of the Yamamijo and Company were reported to have been engaged in the manufacture of narcotic drugs of various descriptions for a number of years. In August 1929, the Commissioner for Foreign Affairs of Shantung, having secured the permission of the Provincial Government, acted in concert with the Bureau of Public safety in sending a squad of police men to conduct searches into these establishments and seized on the spot large quantities of narcotic drugs, (notably white pills) and raw materials and a number of mechanical devices. The Chinese authorities thereupon addressed a letter to the Japanese Consul at Tsinan asking that the firms be sealed, proprietors punished and drugs confiscated and burned. No reply was received as to how the case had been dealt with. The Chinese authorities had, in fact, in a separate letter enclosed a list of the names of the Japanese nationals residing in Tsinan, Kiaochow, Wangtai, Chusien, Yihtu etc., who were found to have been engaged in the illicit traffic, but no word had since been heard from the Japanese Consul.

*(4) Case re Japanese police protection of Chinese opium culprit, a certain Shwei Yuen Ching.*

In September 1929, the Bureau of Public Safety in Yenchi, Kirin, conducted a search on the house of Shwei Yuen Ching, a noted opium culprit, situated at Chueh Tze Street but the Japanese police intervened, and prevented the Chinese constables from carrying out the search. Chinese authorities protested but without avail.

*(5) Case re smuggling of opium on board S. S. Chefu Maru, a Japanese steamer.*

In November 1929, Chefu Maru, a Japanese steamer, sailing for Shanghai carried with her a large quantity of opium. She was halted at the Woosung Harbor, and was searched by the Woosung Fort Garrison Commander in the presence of the representatives of several civic organizations in Shanghai, who discovered and seized in the engine room twenty bags of opium of a total weight of three hundred ounces. The case was submitted to the Shanghai District Court for hearing, and the local authorities petitioned the National Opium Suppression Commission at Nanking to bring the matter to the attention of the Waichiaopu with the request that the Commissioner for Foreign affairs at Kiangsu be ordered to lodge a protest with the Japanese Consul at Shanghai. To the Chinese protest, no reply had been received from the Japanese authorities.

*(6) Case re seizure of narcotics by the Chinese Post office at Liaoning smuggled by a Japanese named Hungji.*

In November 1929, the Chinese Post office at Liaoning discovered more than 120 parcels of heroin mailed from Hamburg, Germany, costing Tls. 500 per parcel. These were addressed to a Japanese named Hungji, and were seized and examined by the officers of the Post office and the members of the Liaoning Provincial Government and shown to have contained genuine heroin. The Japanese concerned confessed that the seizures were narcotic drugs of the same nature as Piloline, which were later burned in public by the Provincial Government. The Commissioner for Foreign Affairs at Liaoning was ordered to enter into negotiations with the Japanese authorities for inflicting appropriate penalty on the smuggler, while on the other hand the Waichiaopu was petitioned to request the German and the Japanese ministers to China to take stringent measures for the discipline of their domiciled nationals.

*(7) Case re seizure of opium culprit by a naturalised Japanese, Liao Hsien Chang at Foochow.*

In December 1929, when the detectives and the constables were investigating an opium case in Pwan Kwan Miao, Foochow a naturalised Japanese by the name of Liao Hsien Chang heading a group of desperadoes armed with pistols and swords seized the culprit from the police, and after having fired upon the inspectors and the detectives, they ran away with their human prize. No arrest had since been made.

*(8) Case re forcible demand by Japanese garrison at Shanhaikwan of apprehended Japanese opium traffickers.*

In 1930, the Japanese garrison forces at Shanhaikwan were found to have repeatedly and forcibly demanded the release of Japanese opium traffickers who had been found guilty and apprehended at the Changli District. In that District, nine Japanese disguised as medical practitioners had been engaged in the trade in morphine, cocaine, heroine etc., and turned a deaf ear to the warnings repeatedly given by the local authorities. Arrests had been made, only to have the culprits forcibly taken away by the Japanese forces. The National Opium Suppression Commission at Nanking had in a letter requested the Waichiaopu to inform the Japanese Minister to China that in view of the fact that the Changli District was not a treaty port and was therefore not open to legal mercantile activities of Japanese nationals, not to speak

of illicit trading, they be asked to leave. No reply had been received from the Japanese authorities.

*(9) Case re Japanese sale of narcotics and ammunitions in Kaomihsien.*

In 1930, nine Japanese commercial houses in Kaomi Hsien, namely, Mishima, Ryusho, Mitatsu, Maruyama, Saikawa, Tenryu, Kyoyei, Kanaoka, Kinjyo, were found to have been engaged in the illicit traffic of narcotics and ammunitions. The local authorities having been aware that Kaomi Hsien was not a treaty port asked the proprietors to leave, to which they turned a deaf ear. Their removal had also been repeatedly requested by the landlords of the houses they rented but without avail. No reply had been heard from the Japanese authorities when the case was brought to their attention.

## A Word From The West

(Reproduced from Punch)

JOHN BULL AND UNCLE SAM (to Japan): "While admitting that the provocation to honorable feelings may have been almost unbearable, we venture to submit that honorable retaliation has shocked Western humanity."

*(10) Case re operation of more than 200 opium dens by Japanese nationals in Amoy.*

In January 1930, opium dens operated by Formosans Hung Yung Ping, Chow Fah Lai, Wong Nan Po and others, which remained open in defiance of the Chinese Government Suppression acts, numbered two hundred and three. A list of the names and the proprietors of these dens was prepared by the Soo Ming District Government, and sent to the Japanese consul at Amoy. No action had been taken. The same kind of dens can be found even in more preponderant number in Foochow.

*(11) Case re seizure by Chinese Post Office at Tsingtao of narcotic drugs smuggled by the Japanese.*

In January, 1930, Japanese firms at Tsingtao, namely Michuya Shokai Kichukoni Yoko, were found to have been engaged in the sale of narcotic drugs. They ordered cocaine and heroin from Switzerland and Hamburg, Germany, which were discovered to have been contained in 101 registered parcels mailed to Tsingtao. These parcels were seized by the Mail Inspection Office and the ingredients were examined by the Health Bureau to be genuine narcotics. The matter was brought to the attention of the Executive Yuan and the Waichiaopu was thereupon instructed to request the Japanese minister to severely deal with the culprits. No reply had been received.

*(12) Case re murder of opium smoker Lo Shi-fu by a naturalised Japanese at Foochow.*

In April 1930, a naturalised Japanese, Shia Ching Yung by name, shot to death a certain Lo Shi-fu who was smoking opium at a Formosan opium den situated at Peiseamiao, Foochow. The Fukien Provincial Government in a despatch requested the Waichiaopu to ask the Japanese minister to China to cooperate in the arrest of the culprit. No arrest however had since been made.

*(13) Case re seizure of opium by the Chinese maritime customs at Shanghai.*

In November 1930, the Chinese Maritime customs at Shanghai seized from a German steamer 100 cases of opium which was to be transferred from Shanghai to Dairen; on account of its violation of customs regulations, the customs authorities confiscated the whole seizure. In May 1931, the Japanese Charge d'Affairs in a letter to the Waichiaopu stated that the monpoly bureau of the Kwangtung Administration ordered from Persia 100 cases of opium which were shipped to Dairen on board the German steamer and asked whether it was true that the goods were seized by the Chinese customs at Shanghai and if so, on what grounds. A reply was sent by the Waichiaopu to the Japanese Legation at Peiping on the basis of a statement to the foregoing effect prepared by the Ministry of Finance in reply to the Waichiaopu's inquiry.

*(14) Case re sale of heroin by Arruta Yoko, a Japanese Commercial house at Peiping.*

In December 1930, a Chinese named Hsu Chung Ling was arrested by the Chinese police after he had bought a certain amount of heroin from a Japanese commercial house Arruta Yoko, situated at Hsiu Chi Sha Mao Hu Tung, Peiping which was discovered to have been engaged in the sale of the drug. According to the investigations made by the Bureau of Public Safety of the Peiping Municipality, cases respecting the sale of narcotic drugs by Japanese at Peiping which had been discovered for the past years and had either been referred to the Japanese Legation or to the Chinese courts for hearing aggregated 177.

*(15) Case re sale of poisonous liquid by Japanese at Hankow.*

In April 1931, a Japanese known as Katsujiro, Taniguchi was discovered to have sold poisonous liquid and was arrested by the Chinese Gendarmerie. The liquid was examined by the Municipal Hospital to have been composed of narcotics and was poisonous. A dog was used for experiment and lost consciousness, as soon as it took the liquid. The case was referred to the Hankow Municipal Government together with the evidences seized which included five poisonous pipes and 50 bottles of poisonous liquid.

Japan's narcotic invasion into China in total disregard of humanitarian and legal considerations can be best proved by the foregoing facts. It is an open secret to the Chinese public that illegal acts, as outlined above, could not be possible without the encouragement and backing of the Japanese authorities, and the Anti-Opium Association has collected details of many other cases of a similar nature to those described above, which prove this fact.

## Dr. Harold Rugg Arrives in Shanghai

Dr. Harold Rugg of Teachers' College, Columbia University, New York, accompanied by Mrs. Rugg, arrived in Shanghai during the week and will spend six months here with the Institute of Pacific Relations. In collaboration with Dr. P. C. Chang of Nankai University, Dr. Rugg will conduct a study on cultural contacts between China and the West, hoping to secure material for American text-books.

# Effects of War Upon China's Silk Industry

BY PAUL K. WHANG (汪仲芳)

OUT of Shanghai's 106 silk filatures, about 65 are located in Chapei, a district completely devastated by the Japanese artillery fire and aerial bombing during the recent Sino-Japanese hostilities. Some idea of the extent of devastation in that industrial section can be gained by the comparison drawn by a spokesman for the Manchurian Commission of Inquiry with the Western Front of the World War. In view of the fact that more than half of Shanghai's silk filatures are situated in that devastated area, it goes without saying that the loss to China's silk industry must be enormous. In order to ascertain the losses as a result of the war, the Shanghai Silk Filatures' Association has requested its members to make an itemized report of their respective losses; but owing to the fact that these filatures are now located in the Japanese occupied zone, a forbidden area to Chinese visitors, filature men must use a certain amount of finesse and tact in securing permission to visit their filatures, so that they may investigate on the spot. Thus the Association can not as yet compile a total list of losses and make it known to the public. But so far it has been definitely reported that two filatures located in the vicinity of the North Railway Station were totally levelled to the ground, that four were partially destroyed by gun fire, and that many others situated outside of the fighting zone were either looted or forcibly occupied by the Japanese troops after the withdrawal of Chinese forces. Many cases of looting also occurred to the filatures in the Hongkew section, which has been occupied by the Japanese as a base of operations since the beginning of hostilities on the night of Jan. 28. The loss to our filature men would be much heavier, had it not been for the fact that when hostilities commenced, all the filatures in Shanghai had already suspended their operations in observance of Chinese New Year holidays, while most of them had long been closed down because of the depression in the silk business. It must be noted that China's silk industry has already been very much crippled by the bad business for the past two years, and that it was already in a critical state. That the huge loss caused by the recent war will accentuate its crisis can be easily imagined. At present, all filatures in Central China, with rare exceptions, have been closed down, and even with the immediate withdrawal of Japanese troops and the returning of conditions to normalcy, they are not expected to be re-opened before the coming cocoon season.

THE TIDE CONTINUES TO RISE.

From the New York World-Telegram.

### Banks Refuse Credits to Silk Men

The Shanghai war has also had its effects upon the silk filatures in other cities of Central China. The money market of Shanghai has been in a stringent state since the beginning of the war, when the native banks, in order to protect their own position, have refused to make loans and advance money on any security whatever. This "no-credit" policy, which has been followed by the native banks elsewhere in Kiangsu and Chekiang, has had a disastrous effect upon those industrial establishments, which have hitherto depended upon the native banks to finance their operations. It must be remembered that Chinese silk filatures have been operated on a very small capital and that their continuous operation has relied much on the quick turnover of their finished products. The depression of silk business has already forced many filatures out of business and placed many others in a financial distress. With the native bank refusing to extend credits, it is next to impossible for the filature men to continue running their establishments, when they can by no means secure the wherewithal to cover their running expenses. Thus many filatures in Wusih and elsewhere have been tied up simply because of lack of financial assistance. So long as the native banks are not conducting their business in their usual way, silk filatures will remain closed down indefinitely.

With the cocoon season fast approaching, the prospect of the future silk industry assumes even a darker aspect. Though a peace conference has been actually opened, after many sessions no definite result has been achieved. In the meantime, war preparations on both sides have not been slackened but intensified. The atrocities perpetrated by the Japanese in Woosung, Kiangwan and Chapei have struck terror into the hearts of Chinese people elsewhere, and the fear of the renewal of hostilities has caused a general evacuation of the civilians from Soochow and Wusih, the cocoon-producing centers of Kiangsu province. Thus the mulberry fields will be laid waste, and silkworm eggs will be left unhatched. The hatching of eggs in Kiangsu usually starts by the middle of April. Pending the assurance of a permanent peace, it is not expected that the country people in Soochow and Wusih will indulge in the cocoon-producing business this spring.

Even in Chekiang province, where the condition is more or less normal, the people, in view of the wholesale suspension of silk filatures, are also hesitant in going into the cocoon-producing business, because they entertained the fear that when the cocoon buying season comes, no

buyer will be on the market for their products. Furthermore they have anticipated that the price offered for cocoons this spring will be exceedingly low. In accordance with the present market price of raw silk, it is estimated that only $50 per picul can be offered by the filature men for the spring cocoons of the best quality, while $95 or $80 were offered in former years. The country people, who are fully aware of the condition of the silk business, have evidently seen that the cocoon-producing business this spring will be no longer profitable. According to those who have recently toured the cocoon-producing districts of Chekiang, we have been told that the spring harvest of cocoon crops in Chekiang will be very small, as the country people have very much curtailed their production.

*—From the "Daily Express"*

On the other hand, the filature men, in face of the present unstable condition and with their filatures totally suspended, are too much disheartened to have any interest in the coming cocoon season. At this time of the year, filature men should prepare themselves for the coming cocoon season by renting cocoon-buying stations and distributing disease-free eggs sheets among the country people. But this year they have remained inactive. Many cocoon-buying stations which have been much demanded in the past are on the market, but nobody will take them even though their rentals have been reduced to half of their former figures. Those, who look at the future through the glass of optimism, are having a mind to buy a small quantity of cocoons and to resume the operation of their filatures after the cocoon season; but they are equally hesitant when they can not be sure of the financial assistance of the native banks. As customary, filature men and cocoon merchants, before the cocoon season, will approach various native banks for loans, and with the money thus raised, they go to the countrysides to buy cocoons. As I have already said whatever above, native banks, since the beginning of the Shanghai war, have refused to make loans on any security. It is, therefore, problematical whether they will change their present "no credit" policy by the time of the cocoon season. All what we can say now is that if the present situation takes a better turn and warrants the native banks to modify their present policy, credit extension will be on very strict terms. With the curtailment of credit facilities, our filature men and cocoon merchants will experience difficulty in financing the purchase of cocoons.

### Lack of Communication Facilities

Even those who can manage to get financial means will likewise be in a dilemma, when many cocoon-producing centers have become inaccessible owing to the disruption of transportation and communication facilities, and the countrysides have been infested by bandits, resulting from the recent war. Granting that the Shanghai crisis can be immediately liquidated, it will still take time to put into condition the means of transportation and communication and to clear off the bandits from the countrysides. Therefore it is doubtful whether the optimistic cocoon buyers will expose themselves to risks by going to the countrysides to buy cocoons this spring.

### Unprecedented Crisis

Never in the annals of silk industry has the crisis been as acute as the present time. Bad business has already put 90% of the total silk filatures in Central China in a state of bankruptcy, but war has forced the remaining 10% out of business. With the wholesale suspension of silk filatures, hundreds of millions of female workers, who have hitherto made their subsistence from the silk industry, have been thrown out of employment, and their destitute state has already spread social unrest and endangered peace and order in the community. Moreover, the country people, who have habitually made extra money by producting cocoons, have to abandon their once profitable undertaking when their lives and properties are no longer in a secure state in face of the possibility of the renewal of warfare. Even in the zone of safety, the people have to curtail their production, anticipating that the cocoon price will be low and the buyers will be few. In recent years, the cocoon and silk productions of Central China have been drastically declining. Therefore the present unhealthy state of affairs may spell the end of our silk industry. The downfall of China's silk industry will not only deprive the government of an enormous revenue, but will affect the well-being of the people generally.

Shanghai, April 1, 1932.

## Manchester "Guardian" Makes Pertinent Comment on Shanghai Situation

The *Manchester Guardian* in a recent issue commented that Japan obviously does not intend to abandon her position in Shanghai until her previous demands, especially the suppression of the trade boycott, have been conceded. Apart from the fact that hostilities have ceased, the position is just where it was, the paper continues. Japan would be as glad to withdraw from Shanghai as China and the Powers would be glad to see her go. The adventure only drags on because Japan is afraid she will lose prestige. Manchuria is another story. Japan insists it is separate from the Shanghai question, which means she will do just what she likes in Manchuria while admitting that parties other than China and Japan are concerned in Shanghai. The British Government unfortunately has created the impression it might accept the Japanese viewpoint in this matter, but the influence of the United States and probably the majority of League members is likely to be exerted in the opposite direction."

## Delegates from Shanghai Named to Attend Honolulu Convention

Harold D. Robinson, trade commissioner, and J. J. Earhardt, industrial commissioner, and A. Bland Calder, assistant commercial attache will represent the local office of the U. S. Department of Commerce at the forthcoming National Foreign Trade Council to be held in Honolulu commencing May 4. The American Chamber of Commerce in Shanghai will send as delegates E. James Reed of the New York Safe and Lock Co. and Capt. G. C. Westervelt of the China Airways Corporation. Invitations have also been sent to the Chinese Chamber of Commerce to send delegates.

## Union Club of China Lost $1,137 Last Year

It was disclosed at the 13th annual general meeting of the Union Club of China held at the Club premises at 3 Peking road, Shanghai, March 30, that the Club sustained a loss of $1,137 during the year, but that this compared favorably with the preceding year when the loss was $4,595.66. O. S. Lieu, the president, presided, supported by Messrs. N. F. Allman (Vice president), D. W. M. Price, A. R. Hager directors, K. McKelvie and Chang Nieh-yun (secretaries). In the course of his speech Mr. Lieu said that the Union Club is the only international businessmen's club in Shanghai, and furnishes a common meeting, ground for Sino-foreign businessmen and officials and, having a distinct place to fill in the life and community of the port, was worthy of support. General E. B. Macnaghten, and Messrs. F. N. Allmen, A. R. Hager, C. H. Sprague, G. L. Wilson, D. W. M. Price, R. J. McNichol, O. S. Lieu, Pan Tse-chuen and J. H. Lee were elected members of the general committee.

Mr. Lieu was re-elected president on the motion of N. F. Allman, seconded by Brigadier-General E. B. Macnaghten; G. L. Wilson, vice-president (proposed by Brigadier-General E. B. Macnaghten and seconded by N. F. Allman), and N. F. Allman, vice president. (proposed by D. W. M. Price, seconded by Mr. O. S. Lieu)

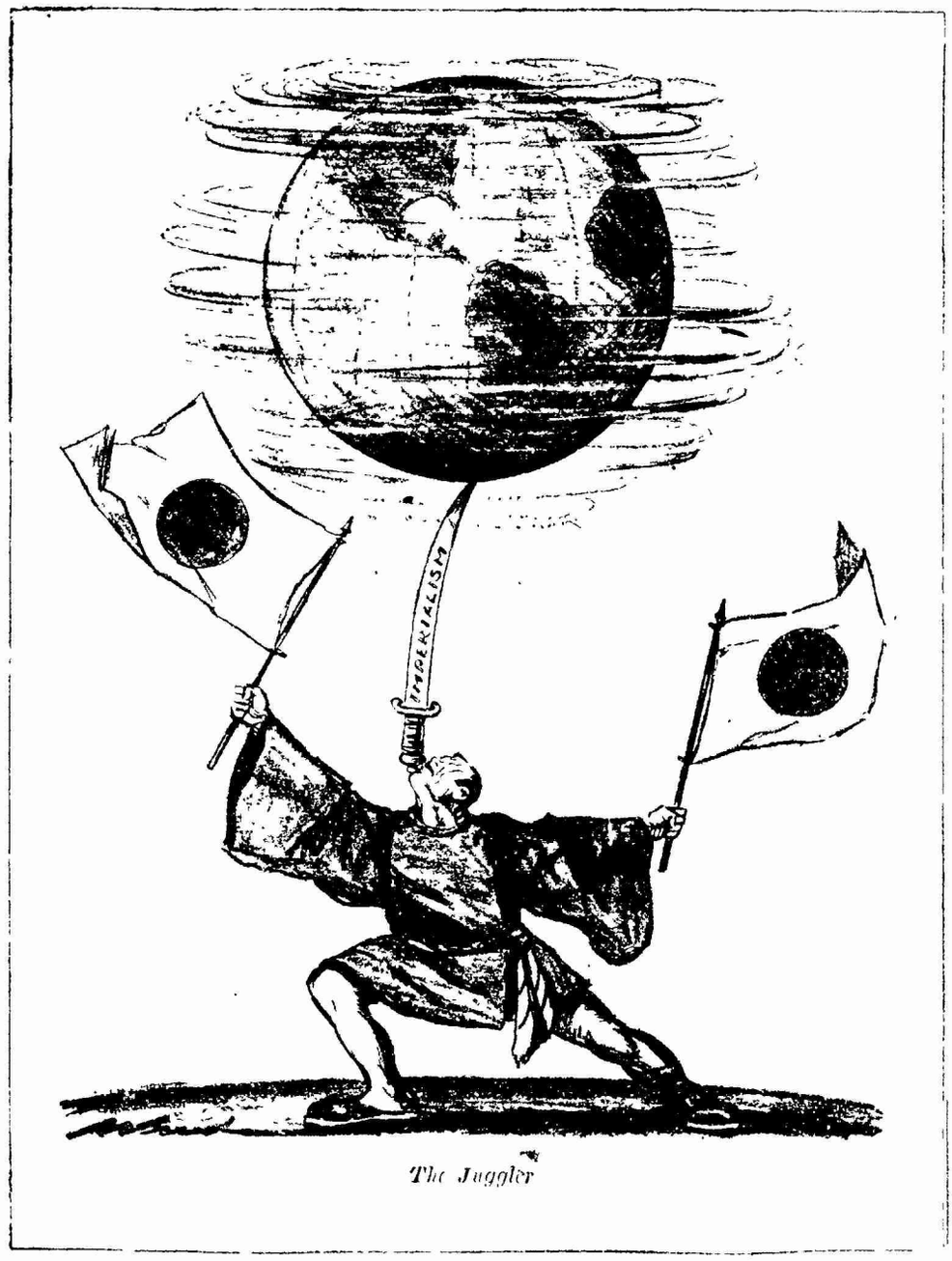
Prior to the above meeting, there was a meeting of the Union Club Proprietary, Ltd., over which Brigadier-General E. B. Macnaghten presided, supported by Messrs, Robert Bailey, N. F. Allman, A. R. Hager, Chun Shut-kai (directors) and K. McKelvie (secretary).

The balance at credit of profit and loss account for the year was shown to amount to Tls. 1,998.75. This with the sum of Tls. 10,294,76 carried forward from last year, made a total of Tls. 12,293.51.

## Chinan University Losses Estimated at Total Of $824,000

The estimated losses sustained by Chiran University, at Chenju, a short distance cut from Shanghai, as a result of continuous bombardment of Japanese airplanes during their recent invasion of Shanghai are given at a total of $824,000, according to an official report recently prepared by the school authorities.

The total losses given in the above figures include the various properties inside the school compound, which were destroyed by bombs dropped by Japanese airplanes. Properties of the students, including their books, baggage, clothing and other personal equipments constitute the main item of the loss, while the school buildings, library, scientific apparatus, specimens and machinery and other equipment rank second in the total of destruction suffered by the school authorities. The Japanese in one of their official statements reported that the University had not been damaged.




*The Juggler*

*—From Judge Magazine*

## Lunghai Railway to Use China-Made Rails

The Minister of Railways, announced-during the week that steel rails manufactured by the Han-yang Steel and Ironworks at Hankow will be used on the Tungkuan-Sian section of the Lung-Hai Railway. Following receipt of reports from the Ministry of War and the Hupeh Provincial Government respectively that more than 13,000 tons of steel rails manufactured by the Hanyang Works are available, the Ministry of Railways ordered Lin Hung-hsun, Engineer-in-Chief of the Lung-hai Railway extension, to proceed to Hankow and negotiate with the Hanyang Works for the purchase of said railway material,

# Putting China Across at Chicago

BY WILLIAM DANGAIX ALLEN

*(of the National University of Peiping)*

IF Americans with a democratic viewpoint and interested in an "understanding" between the common people (business men, bank clerks, high school teachers, newspaper staff) of China and U. S. A. allow those in charge of China's pavilion at the Chicago Exposition to follow the traditional methods of old-fashioned exhibitions, there is little chance of the exposition telling America of the existence in present-day China of a popular mind. The whole world is under the impression that current China is pre-occupied almost exclusively with war and politics. And that her only other occupations are importing and exporting. Even the better educated "returned students" among the Chinese are heard repeating that the present Chinese cultural and mental activities are mediocre imitations of the West.

For an understanding between China and America, it is not enough to tell America by commercial exhibits at Chicago that China needs certain American goods and can give America better or cheaper raw materials than are to be found elsewhere. By stimulating commerce between the two, much is obviously done toward sympathy between them. But unless America is impressed with the fact that China is not only capable of adapting itself to modern business but is also developing a modern mental life in which West and East play intedependent shares, the American business man will tend to assume that China is to him as a farm laborer to the farmer and as a patent medicine purchaser to the patent medicine manufacturer. In other words, a nation which does not impress America with present-day cultural, mental, social activity within its own borders and spreading out to influence other nations, but in American public opinion a tool, a colony, a market, but not an equal.

### America Has Little Respect for the Past

The American folk does not respect a nation for its past accomplishments. Not only do the glories of the Chous and Hans make no impression on an average American but to stress these past achievements too much is to diminish the present-day achievements of China—by putting on long-distance spectacles you blur what is nearby. The past of China must be shown to Americans in its present-day aspects and nothing of the past which is not today a living hindrance or a living help or which is of a nature to be revived and of help to the futuer of China should be shown at all. From this point of view, the Chinese exhibitors at the Chicago Exposition will still find many aspects of ancient Chinese culture that fit into the modern picture.

"HOW DO YOU LET GO OF ONE OF THESE THINGS?"

—*The Chicago Tribune*

A Chinese exhibitor at the Chicago Exposition would be unfair to a constantly and rapidly changing China-in-revolution were he to think of China as a fixed quantity and stress past defects which still survive. Bound feet, opium, epidemics, banditry are among the subjects which should not be stressed because they already have been overstressed and have been so misinterpreted that there is little hope of solving their problems by continuing to stress them. In other words, instead of stressing epidemics, or famine, the institutions for education health, farm cooperation and agricultural experimentation can be stressed without emphasizing the vast ills with which they struggle. The constant emphasis on the hugeness of China's sufferings makes the world thick-skinned against China and we reach the formulas: in a relatively prosperous land knowledge of a neighbor's misery awakens pity and draws out money but meanwhile *draws the two apart.* When the size of this neighbor's misery is larger than a human can easily grasp, the human being loses his feeling of humanity and decides that it is none of his business, that the neighbor is not in any way like himself.

While certain unpleasant phases of China which survive should not be stressed, other unpleasant phases which are beginning to exist should be stressed very much. The unpleasant results of modern changes on the laboring classes, the unpleasant effects—if any—of the movies, the disadvantages of such modern institutions as cabarets, cigarette smoking, cocaine taking, keeping up with the Joneses' autos, horse racing, slums, cheap foreign substitutes for home or village industries, the failures of missionaries and western methods of education—all such unpleasant aspects of the young and growing institutions of China must be told of impartially. If a case presents itself where only pessimism or optimism in telling is possible, then by all means adopt the optimistic standpoint. If dealing with an old institution which is waning, justify or tone it down.

*(Continued on page 197)*

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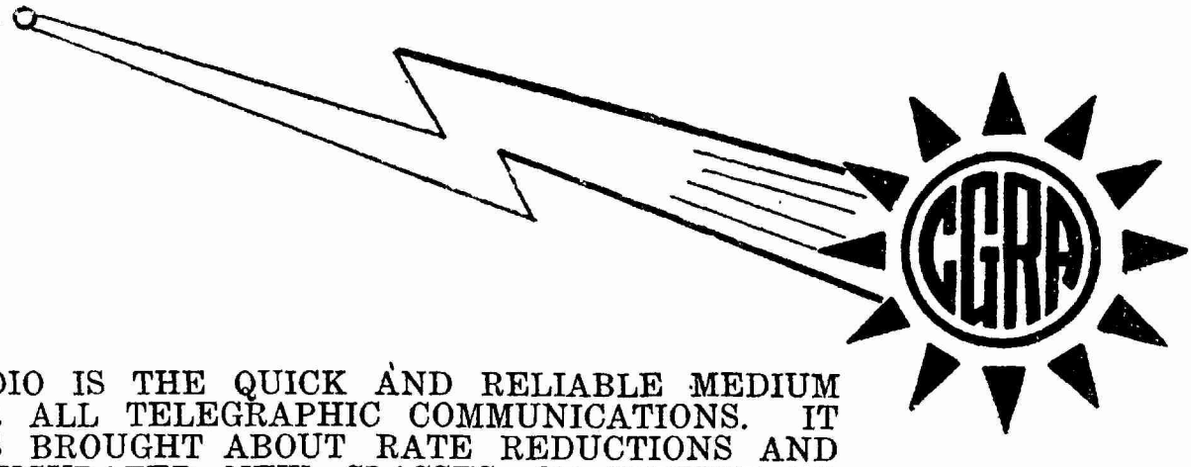


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# The League of Nations and the Sino-Japanese Issues

BY V. G. CHU

THE present controversies between the two Oriental countries, Japan and China, have been and are engaging the attention of the world in general. They have been placed in the hands of the League of Nations for already more than half a year. In the course of time, however, it appears that at least one main point, that is, the cause of the series of all the unfortunate affairs, has been overlooked and forgotten by some foreign observers as well as the Japanese, purposely or unintentionally. Let us, therefore, point out and emphasize a thousand and one times that it is the Wanpaoshan Incident that lies at the bottom of all the quarrels, being the cause of all causes, all sequels. Although Wanpaoshan always is a part of China's territory in Manchuria and the Koreans residing there are no other than tenants on the Chinese land, they were emboldened by the explicit bid of Japanese last summer to create a bloody riot against their landlords, the Chinese farmers, destroying many a Chinese life as a result. And with further encouragement by their Japanese masters, a little later a tragedy of massacre of Chinese nationals was staged in Korea by the Koreans under the "auspices" of the Japanese, murdering hundreds of lives at a single blow. Resenting these inhuman Japanese-Koreans' atrocities and at the same time realizing that unlike the aggressive Japan which can despatch her mighty armada and overwhelming armies in a trice to protect her overseas nationals, being a non-military country, China is in no position to defend her own nationals even within her own territory, not to say, without, and avenge their wholesale slaughter; subsequently the Chinese people throughout the Republic have enforced as a sheer retaliatory measure the boycott of Japanese goods, which is, therefore, the sequence—we repeat and emphasize here our assertion that it is the sequence only—to the massacre and not the cause of other later, subsequent incidents and evils. Otherwise, why have none of other foreign goods been likewise boycotted, but dealt in freely and willingly by Chinese, there being foreign merchants of many a different nationality who are trading in this country? Moreover, it is universally acknowledged that contrary to resort to arms, boycott is perfectly peaceful in its nature and in every respect. Our foreign friends are, hence, earnestly requested to keep this point clearly in mind and in conspicuous view.

### Lord Lytton Also in a Fog

Notwithstanding this fact, which is undeniably a stubborn fact, that the Wanpaoshan Incident has been and is standing out as the fundamental cause in so bold relief, it seems, nevertheless, that even Lord Lytton, the Chairman of the Commission of Inquiry of the League of Nations, is still somewhat in a fog as to the real cause of the present Sino-Japanese troubles so that in the course of his reply to welcome addresses at the reception arranged and given by the China University Association in honor of his Commission he alluded presumably to China vis-à-vis Japan in the following words:—

"It is not possible for any nation to cultivate hatred and hostility towards other countries and then expect the League to step in and save them from the consequences of that attitude."

Has China cultivated hatred and hostility towards Japan if the word "nation" in the foregoing passage of Lord Lytton's speech is supposed to refer implicitly to China? If so, we wonder why she selects her neighbor of the same color as her particular objective and not towards other nations but towards Japan alone she cultivates hatred and hostility. Further, who first mercilessly killed innocent Chinese farmers at Wanpaoshan and later massacred Chinese nationals in Korea, which atrocities, as already stated, constitute the underlying cause of the present gravely strained relationship between China and Japan? Who has been and is, then, cultivating hatred and hostility towards another? Which is which, Japan or China? As for rescue, we are not asking for it. We are not required to plead for China. What the Chinese are after, is nothing but truth and justice.

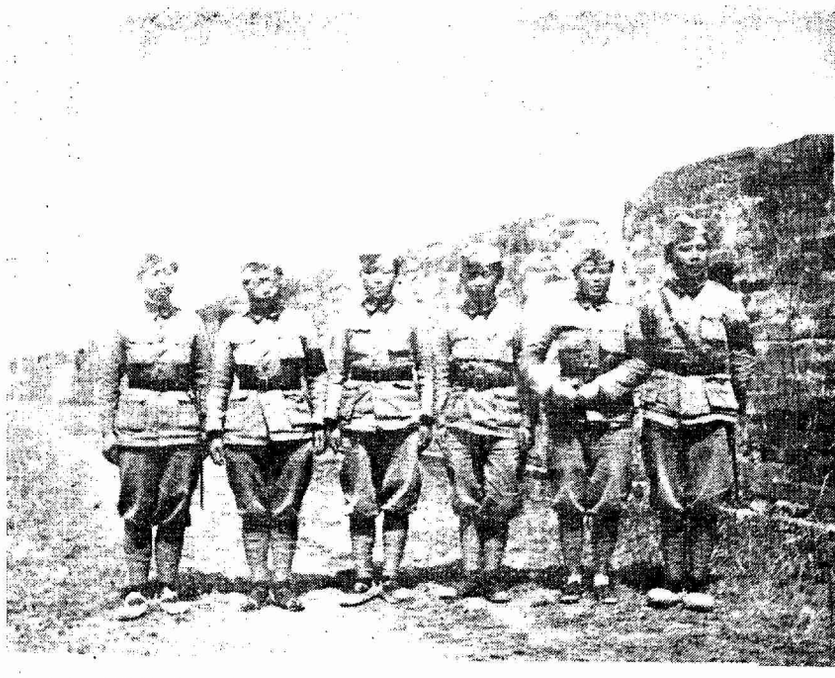
As the members of the distinguished Commission of Inquiry are making progress in their long or practically round-the-world trip of investigation, a real cosmorama is gradually unfurled before their eyes; and after they found themselves in Shanghai, the battle-ground of the war but the center of interest and the archives of authentic and authoritative data and information, a full panorama of all scenes of the wrong and the right, the aggressive and the defensive, the guilty and the innocent, the contumelious and the pathetic has been, furthermore, all at once brought in sight for their scrutiny, appreciation and digestion. When they proceed beyond and farther and set foot on the Chinese soil in Manchuria, they will find the fountain of all bitter waters at Wanpaoshan, which, it is hoped, they will not omit to visit. They will, then, be in a position to acquire a clear understanding, a thorough knowledge of all the facts in relation to the outstanding questions under investigation although the traces of the Japanese atrocities there may have disappeared after the lapse of ten months and may have been deliberated deleted by those responsible for them. They are in quest of truth, we are informed, and they will no doubt obtain it only—and but only—if they do not allow the Japanese who are in occupation of China's territory there to throw dust in their eyes when they come in touch with the source of all troubles and conduct their impartial inquiries on the spot in the extreme northeastern part of China. What the Chinese are hoping for, is, as Thomas Carlyle once said, "more for clearness of head than for warmth of heart" although the sympathy of the members of the Commission is also sincerely solicited and any poisoned arrow is anxiously deprecated. There is a long string of knots; and here at Wanpaoshan is the topmost one; to effect a disentanglement of the entire string of all the series of them the eminent investigators are required to unravel this very one knot, this particular knot, first and foremost.

### The Puppet Government in Manchuria

In this connection, it may not be out of place to say a few words also with reference to the puppet government recently set up in Manchuria, which is bound to become a second Korea. Over 80 per cent of the population of that vast veldt of 200,000 square miles in area consists of Chinese, who are migrants or descendants of migrants from other provinces of China, especially from Shantung and Hopei and who, therefore, one and all speak the same tongue, write the same language, wear the same attire—in short, are of the same blood and are in every respect the same as the rest of their countrymen of the Republic. They are part and parcel of the whole Chinese nation. Are they willing to be separated from their own country? For what reasons, do they declare independence? Why do they do so only after Japanese have occupied their land and placed them under Japanese yoke? Why not earlier nor later? Why is everything dictated there by Japanese while the Three Eastern Provinces of China are supposed to be already a free and independent state? If according to Japanese argument that pursuant to the principle put forth by President Woodrow Wilson of the United States of America, minorities must exercise their right of self-determination, Korea and Formosa ought to have declared their independence long, long ago, immediately following the advance of the late American President's principle, their peoples being of entirely different races from that of the Japanese; even when we leave out of account for a moment the indisputable fact that the great majority of the people in Manchuria are, as stated above, Chinese.

Now that the entire Manchuria is in the hands of Japan, in fact though not in name, its door is closed. Japan manipulating all affairs and monopolyzing all interests there, every order for and every purchase of supplies, provisions and materials for government, public, industrial, agricultural and commercial use it placed with Japan and procured from her alone; and a ban is already enforced forbidding export of cereals and beans to Soviet Russia from Manchuria. Japan and Prussia prior to the Great War, if compared, are as like as two peas. With her own military strength and prowess in addition to her uncontrolled territorial ambition and bellicose, aggressive disposition on the one hand, and in Manchuria, with the exceptionally rich resources of iron, coal and deposits of other minerals as well as the exuberant agricultural and forestry products at her disposal on the other, it can by no means be denied that Japan now constitutes a great menace to peace not only in the Far East but in the whole world as well. Both minorities and great powers will alike experience the force of her ironclad fists, and their sovereign and territorial inte-

# SOME CHINESE "AMAZONS" FROM MANCHURIA ON SOOCHOW FRONT



Here is the first picture of China's women warriors who are helping in the defence against the Japanese. These six young ladies are a portion of the considerable group of Chinese young women students from the Fung Yung University at Mukden, who are assisting in trench construction and other work at Soochow. Their school was taken over when the Japanese captured Mukden.

These young women along with thousands of male students from National Northeastern University at Mukden, Communications University at Chinchow and dozens of other schools throughout Manchuria are now somewhere in China south of the Great Wall and hundreds of them are helping to repel the Japanese advance.

The Japanese military reports on several occasions have told of coming in contact with Chinese "Amazons," one report stating that the Japanese Mixed Brigade which landed near Woosung had clashed with a company of Chinese women soldiers and killed practically all of them. Capt. Y. Kita, a staff officer attached to the Japanese Mixed Brigade at Woosung on several occasions told foreign newspaper correspondents that Chinese women "snipers" had attacked the Japanese troops and inflicted numerous casualties.

This, of course, is not the first time that Chinese women students have engaged in military service. In the original Nationalist advance from Canton in 1926-1927, large numbers of women students participated as nurses and on several occasions were reported to have engaged in active military service. Several pictures of these women's "battallions" were published in *The Review* at that time.

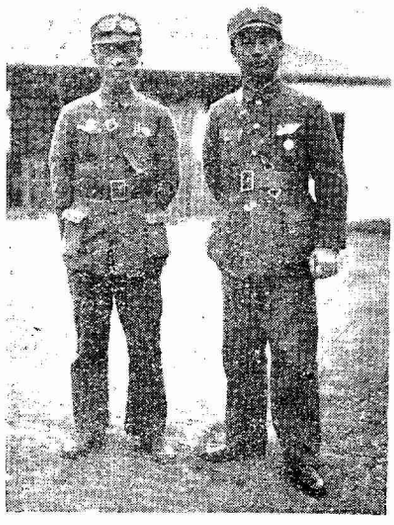
The lower picture shows two more girl students who are serving as nurses and the one in the center is a clerk. All are connected with the 78th Division.

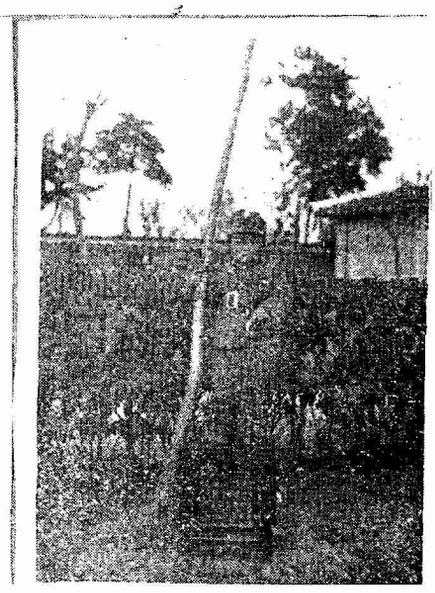
## Financial Stringency Hits Missionary Enterprise in China

One of the results of the financial stringency throughout the world has been to lessen the amount of funds available for the prosecution of Christian missionary work in China. Among the missionary organizations which has decided to retrench on expenditure in foreign mission, is the Church of Scotland, which has decided on a £10,000 cut for the coming year. The Church Missionary Society, another British organization, is also planning economies. Generally speaking, the aim of the missionary societies is to encourage plans for raising the money required for the missions locally as much as possible, reserving the funds from foreign countries for such localities where they are not able to raise the funds themselves.

What the Japanese air-bombers did last month to the Chinese Government air-drome at Hungjao, located on the outskirts of the International Settlement. A few ancient-type scout planes were damaged and some machinery destroyed. The buildings were completely wrecked.

# ON THE CHINESE FRONT NEAR KUNSHAN AND HENLI



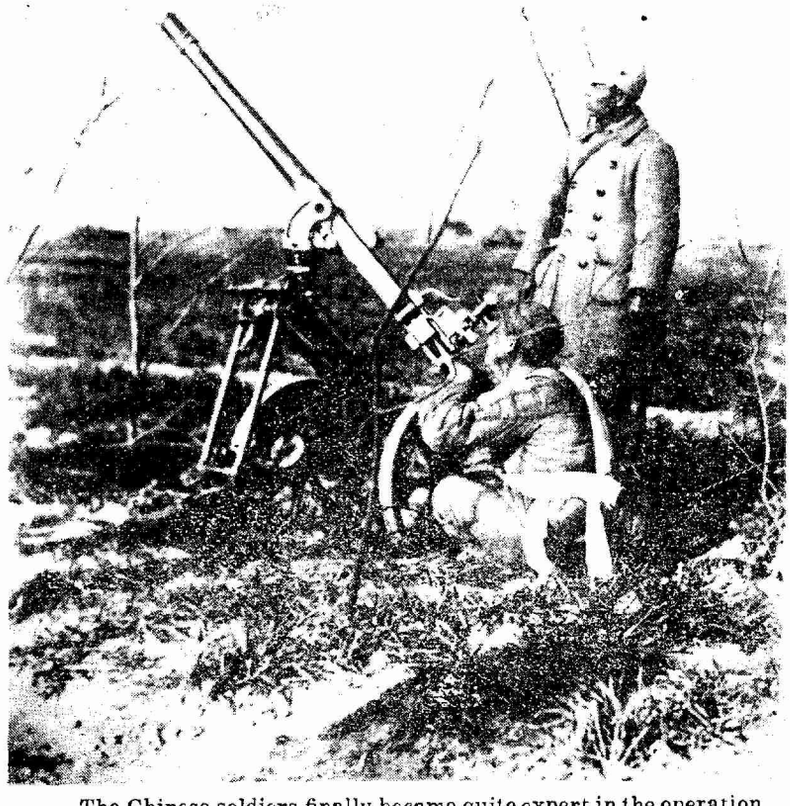


*Upper Left*—General Tsai Ting-kai (left) and Gen. Chang Yen, Brig.-Com. and concurrently Vice-Commander of the 61st Division. Gen. Chang won everlasting fame in the Chinese defence of Miaochangchen, where the Japanese were held up for many days and suffered serious losses including a high officer and a considerable number of prisoners. The Japanese officer, after his release, committed suicide.

*Upper Right*—Another group of high officers in the Chinese army on the Kunshan front. They are (left to right) Gen. Chang Yen, Gen. Tsai Ting-kai, Gen. Li Sheng-tung, Vice-Commander of the 60th Division and Gen. Oong Chao-yuan, the heroic defender of the Woosung Forts against the Japanese naval and aerial bombardment of many days.

*Lower Left*—Gen. Tang Teh-hwang (left) Director of the Communications Department and Brig.-Com. Chang Lai of the 61st Division. Gen. Chang was in command at Kiangwanchen when Gen. Uyeda launched his highly-advertised drive against that city—and was held up for many days due to Chinese resistance.

*Lower Right* — Probably the youngest "soldier" in the Chinese army, Master Tang Tseng-wen, five-year old son of Col. Tang Teh-whang. The picture was taken at Kunshan.



The Chinese soldiers finally became quite expert in the operation of this new-type war-implement—anti-aircraft guns.

## Chinese Postal Tariff to Be Increased to Recoup Losses Caused by Japanese

The total amount of losses sustained by the Chinese Postal service as a result of the Manchurian and Shanghai crises amounts to more than ten million dollars, according to investigations made by the Ministry of Communications. The Shanghai Postal Administration as a direct result of the Japanese invasion of the Shanghai area lost approximately two million dollars. With the forcible seizure of Chinese postal offices in Manchuria by agents of the puppet government, the total losses up to the present amount to over three millions.

Besides Shanghai and Manchuria, postal administrations in other parts of the country also sustained heavy losses as a consequence of the disturbed conditions and disruption of trade and traffic caused by the Japanese aggressions. These are estimated at about 5 million dollars.

In order to make up for these heavy losses, the Ministry has decided to put into effect as soon as possible a general increase in the postal tariff which is expected to yield from $5 to 6 millions of additional revenue.

grity will be placed in jeopardy if they ever enter into a controversy with her.

Water in any vessel invariably assumes a perfect level, let the vessel be of whatsoever shape and in whatsoever situation. A balance always indicates and gives the exact, precise weight of a mass, let the mass be of whatsoever material and in whatsoever locality. A mirror immutably reflects the identical image of an object, let the object be of whatsoever form and in whatsoever condition. Such is the state, the state of water in a vessel, that the League of Nations should adopt. Such is the position, the position of a balance, that the League of Nations should preserve. Such is the stand, the stand of a mirror, that the League of Nations should take. There is reason to expect that the prejudices and the prepossessions, the pride and the passions of the world should lie far be neath its feet; and it should look down alike on the powerful and the weak, on the great and the minor, and on all that wear the stamp of a state, with clear recognition, with brotherly affection, with impartiality, with sympathy. It should have a resonance in its bosom for every note of human feeling. Since the Sino-Japanese outstanding questions at issue have been in its hands, there is reason, too, to anticipate that in regard to them, it will do so unless it voluntarily wishes to subvert its own foundation, to extripate its own existence.

### The Problem Before the League

In conclusion, using some words of Charles Dickens, we may assert without erring in any measure that for the present juncture it is the season of Light, it is the season of Darkness, it is the spring of hope, it is the winter of despair, we have everything before us, we have nothing before us; bright because peace in general may be preserved, dark because war may be continued and extended, hopeful because justice may be vindicated, despairing because force may be overruling, present with everything because right may be paramount, present with nothing because might may be ascendent. It is the turning point of peace and war, justice and force, right and might. Is the League of Nations aware of the weightiness of its own duties? Is the Commission of Inquiry mindful of the momentousness of its mission and the far-reaching influences and grave effect its report on the results of its investigation into the Manchurian situation and the Sino-Japanese controversies as a whole will exercise and produce? Let us see the submission of the report and read its contents! Let our hope not be ended in smoke and our desiderata not be frustrated! Failing our expectation, our faith in the League as well as the world's, and failing justice and equitableness, on the part of the Commission of Inquiry and therefore of the League of Nations itself, not only will the League answer for any further unpropitious consequences which may arise in the course of time but also it will be tantamount to the League committing suicide—(1)

Further, let us quote from Lord Cecil the following words, which he of late pronounced with reference to Japan's aggressive war in Shanghai, as appearing in "L'Oeuvre":

"A settlement which does not punish unjust aggression, does not reject militarist policy and does not assure a loyal member of the League reparation for the wrongs she has sustained would be a disastrous blow to international morale.

"It is impossible to justify Japan for having bombarded and occupied Chinese territory before attempting by all means to make good her claims by mediation and by arbitration.

"The League as well as America must decline to pardon and must repudiate formally and openly the action so wrongly undertaken by the Japanese military authorities."

Shanghai, April 1, 1932.

## Japanese Medical Corps Treats Chinese Free of Charge

A Japanese news agency in Shanghai during the week stated that approximately 700 Chinese were being given medical treatment free by the Japanese Army medical corps, including both the travelling clinics and the stationary corps, in the Woosung, Paoshan, Nanziang, Kiangwan, and Liuho areas. The Chinese village master of Paoshan (head of the Paoshan autonomous peace-preservation committee) wrote a letter of thanks to the Commander of the Japanese Army for the work done in that district.

No. 77.

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# The Prime Minister of Nepal Decorated by China

BY DANIEL J. LEE (李芹根)

IN recognition of the friendly attitude of the Prime Minister of Nepal, Bhim Shum Shere Jung Bahadur Rana and the good-will of His Highness' Government towards that of China, the Chinese Government recently despatched a special mission, which was headed by Chang Ming in the name of Chinese Envoy, to Nepal for the exclusive purpose of bestowing upon the Prime Minister the title of Luh Chuan Shang Chiang (陸軍上將) and (一等寶鼎勳章) a Pao-Ting Decoration (First Class); both of which are the highest honors of the Chinese Government. The investiture took place at Kathmandu on the 8th of February, 1932.

The friendly relations between China and Nepal, though unfortunately interrupted for a period of twenty years, were resumed the year before last, 1930: for which the National Government of China sent a friendly mission to Nepal with a view to renewing the friendly relations between these two countries (Since the Republic, this was the first official mission to Nepal sent by the Chinese Government). A brief account of the said mission and a bird's eye view of the Nepalese Government as well as the social and religious conditions of that small yet strong independent kingdom of the Far East were briefly dwelt upon in an article by the writer entitled "National China and the Kingdom of Nepal" which appeared in the December 27, 1930 issue of the *China Weekly Review*. In the said article, the writer deeply regrets, owing to misinformation, having made some incorrect statements regarding the position of His Majesty the King, and the date 1792 which has been marked down as the beginning of the relations between China and Nepal. In connection with these incorrect statements, the writer wishes to express his thanks to His Honor General and Chief of Staff of Nepal, Hiranya Shum Shere Jung Bahadur Rana for his frankness in pointing out the mistakes, and to apologize. The following are his statements:

"The King actually presides at special public functions and also the Durbars held by His Majesty to give audience to the British Envoy. His Majesty does not concern himself with the management of State affairs, as he is supposed to be an incarnation of Bishnu, the presiding Deity of Hindus, and hence too high to look on mundane affairs. He reigns while the Maharaja and Prime Minister is vested with the supreme authority to rule the Kingdom."

As regards the date of the beginning of Sino-Nepal relations, he says, "To say that the friendly relations between China and Nepal commenced from the year 1792 is not absolutely correct. Such intercourse, though fitful, dates farther back than that. In fact there were at times exchanges of friendly presents from ages past between the potentates of these two countries, while Nepalese artists were known to have been in China doing much to give shape to the Chinese architecture of the time."

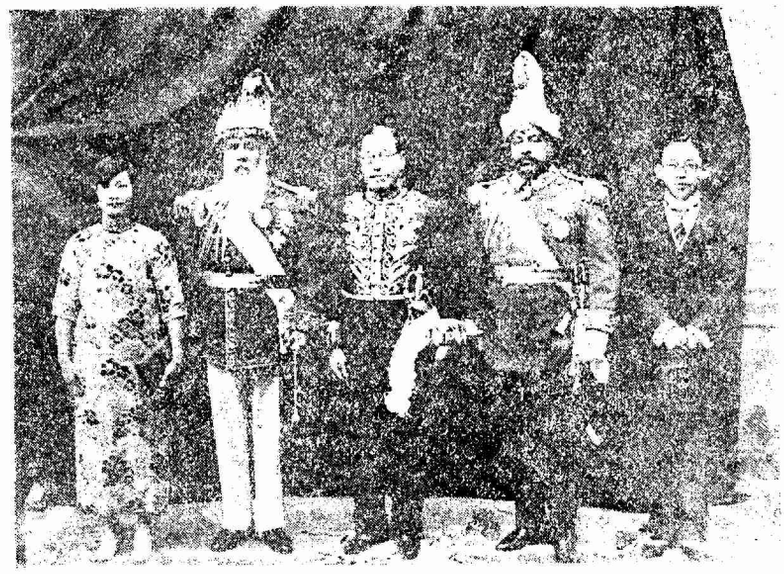
### Relations Between Great Britain and Nepal

The Chinese public as well as people elsewhere generally have the impression that Nepal, being so closely situated to the north-east of British India must be under the British influence; or at least that she is subject to British advice on her foreign action. This impression of the public is based upon imagination rather than ill-information; and the imagination of which is chiefly due to the ignorance of the actual position of Nepal and her treaty relations with Great Britain. A careful study and close examination of the Treaty between Great Britain and Nepal will serve to correct such an impression.

During the recent visit of the Nepal Prime Minister to Calcutta, which happened to be December last, in response to a friendly invitation of the Viceory, Lord Wellingdon, rumors were in circulation that, owing to the Anti-British activities of the Indians, the Viceroy, in a private conversation with the Prime Minister, had requested the latter to send another 50,000 Gurkha troops to India in case of emergency. How far the truth of this rumor goes is beyond the province of this article. Nevertheless, it shows the importance that the Indian public have attached to the position of Nepal in its relations with British India. During these days when the British Empire is in a state of decline, Nepal may sway her influence in India at any moment. As Sir Harcourt Butler, a member of the Indian civil service for a period of forty years, says, "The Gurkhas of Nepal look longingly upon the prospect of regaining their lost territories in the sub-Himalayan tract and the loot of the rich city of Calcutta, one of the greatest achievements of British rule."

### Sino-Nepal Relations Confirmed and Strengthened

On February 8, 1932 the investiture upon the Nepal Prime Minister took place at Kathmandu, the seat of the Nepal Government. The Chinese Envoy, accompanied by his Secretary, were conveyed to His Majesty's Durbar (Palace) by a four-horse State-carriage under the escort of His Honor General Anand Shum Shere and 17 royal body-guards. Upon the Chinese Envoy's departure from the Guest House (Chang Ming's temporary quarters), at 12:25 p. m., a salute of 21 guns was fired in honor of the Chinese Envoy. When he arrived at His Majesty's Palace, the Royal Band played the Chinese National Anthem, while H. H. the Prime Minister, Bhim Shum Shere, after the Chinese Envoy had alighted from the carriage, received the latter's hand in and ushered him to the farther end of the palace by the right side of the throne.



The above picture was taken at Kathmandu the Capital of Nepal after the investiture described in the accompanying article. *Left* to *right*—Mrs. Chang Ming; H. H. the Prime Minister of Nepal, Bhim Shum Shere Jung Bhadur Rana; the Chinese Envoy, Chang Ming; H. E. the Commander-in-Chief of Nepal Army, Joodha Shum Shere; D. J. Lee, Special Commissioner of Mongolian and Tibetan Affairs of the National Government and concurrently Secretary to the Chinese Envoy.

A few days after the investiture ceremony, the Chinese Envoy, Chang Ming had the honor to have conferred upon him by the Government of Nepal the most Refulgent Order of the 2nd Class star of Nepal. Chang Ming was the first Chinese official, in the history of Sino-Nepal relations, to be held in such a high consideration.

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## Building of U. S. Consular Premises in Shanghai Again Postponed

Work on the new buildings for the local American Consulate General in Shanghai is to be deferred as the result of a decision passed by Congress, which, in the spirit of economy, eliminated the building appropriations for 1933, thus precluding construction work in the near future, Edwin Cunningham, consul-general announced during the week.

In the meantime, it may be stated that the temporary quarters, the old Kalee hotel, are being occupied at a very considerable expense. The old premises in Whangpoo road were demolished a year and a half ago on the assumption that the new building would be started promptly. In the meantime the old site remains vacant.

## The Hypocrisy of the "Advanced" Nations as Regards Opium

The Anti-Opium bureau at Geneva has issued a circular pointing out that although the Covenant of the League of Nations lays upon the more advanced nations the trust of helping the less-advanced nations, yet despite this, most of the so-called advanced nations still derive revenue from the sale of opium for smoking to the most defenceless of human beings, namely the Chinese laborers.

These advanced nations although bound by international Conventions to reduce and suppress opium smoking, refused at the recent Bangkok Conference on the Suppression of Opium-Smoking to agree even to registering and rationing smokers. The Bureau states that in the ten years during which the League of Nations Opium Advisory Committee has been functioning more than two thousand five hundred million gold francs net profit has been made by the "Advanced Nations" from the sale of smoking opium to just this "poorest class" of Chinese laborers who in many of the territories are the only persons allowed to purchase opium for smoking.

## F. D. Zau Publishes Brochure on the "Nanking Regime"

One of the most prominent contributors to the daily press in Shanghai during the past few years has been a Chinese who signed merely his initials, F. D. Z. Owing to the fact that other prominent Chinese also have these initials his contributions have at times been attributed to other writers, and they were impelled to make public denials of allegations that they were the authors. Recently F. D. Z. has made known his identity, he being no other than Zau Fa-daung, the secretary of the International Dispensary in Foochow road, which has recently come into great prominence through its advertising widely a reward of $5,000 for information as to the fate of its manager, S. M. Hong, who was seized by the Japanese on January 30, and not heard from since.

Mr. Zau has collected in brochure form his letters to the Shanghai daily press during the past several years. They occupy a total of 97 pages and cover a wide range of views, under the general title of "The Nanking Regime."

## Two Heavy Bank Failures in Canton

The Hop Teh and Pao Hah banks at Canton, two important financial institution at Canton, have failed with liabilities for more than a million dollars.

These failures have caused a serious repercussion in Kwang ung government circles owing to the fact that many government offices, including the First Naval Squadron, were among the depositors in these two banks. They are substantially owned and managed by Yang Mei-pin, who is also managing director of the Chungshan Hotel and the Hai Chu theatre Both the hotel and the theatre have been attached pending the claims of the creditors being satisfied. Two errand boys employed by the banks have been arrested but other members of the staff have disappeared.

## Chen Fu-mo Takes Charge as Superintendent of C. M. S. N. Co.

Chen Fu-mo, vice-minister of communications who was recently appointed superintendent of the China Merchants' Steam Navigation Company, arrived in Shanghai during the week and took charge of his new post. Mr. Chen and Marquis W. H. Liu, recently appointed managing director, have as their principal problem the financial condition of the company, which, besides suffering from a daily loss of approximately $20,000 during the local Sino-Japanese conflict, has been paying interest on a big short term loan required to keep the company going through the period of financial stress.

## Central Bank Report Shows Substantial Reserves

The Supervisory Committee of the Central Bank of China reports as a result of the examination held on March 31 that the reserves against dollar notes in circulation consist of cash $25,242,497 against a total of dollar notes outstanding to the value of $27,963,687, and subsidiary coin notes to a value of $2,721,190.


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# The League's Shanghai Committee Issues Fourth Report

*The following is the fourth report by the Shanghai Committee of the League of Nations made public here end of last week. It covers the Shanghai situation from the period February 20 to March 1.*

With reference to our third report, the hostilities which commenced on February 20 continued without interruption up to March 1 along the the line from Woosung to Chapei, the Japanese attempting to enforce their demand that the 19th Route Army should withdraw from the area specified in our previous report.

## AN OLD CHINESE CUSTOM

DURING THE BOXER REBELLION, THE CHINESE INSCRIBED PRAYERS UPON THEIR UMBRELLAS AS A PROTECTION AGAINST THE BULLETS OF THE "FOREIGN DEVILS"
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*The Chicago Tribune*

The fighting was of a very severe character, and caused much destruction among the villages and isolated buildings in the area of hostilities.

On February 23, Japanese planes bombed and destroyed Hungjao aerodrome, and on February 26 bombed the Hangchow aerodrome.

On February 29, the Japanese consul-general notified the mayor of Greater Shanghai that the Japanese had information that Chinese military were concentrating reinforcements around Shanghai by means of the railway. Therefore if this concentration continued, the Japanese forces, in self-defence, might be compelled to destroy the railway line and military trains between Kashing and Shanghai and between Soochow and Shanghai on and after March 2. The period of grace was given to allow Chinese civilians to evacuate these areas.

### Mayor Replies

The mayor at once replies stating that since the night of January 28 the Japanese forces had repeatedly invaded Chinese territory and murdered Chincese people, committing atrocities in violation of international law and treaties, and offences against humanity. The action of the Chinese troops had, on the other hand, been confined to self-defence, and if the Japanese forces should continue to attack the Chinese forces, the latter would be compelled to defend themselves, and all responsibility in this connection must rest entirely with the Japanese.

The 11th Japanese division arrived in Chinese waters on February 28 and 29. Some of these troops were landed at Woosung, but the main body was disembarked near Liuho on the Yangtse, after preliminary bombardment of the Shihtzulin Forts in that neighborhood. Some troops were landed in the Settlement on February 29 and on preceding days, but the Japanese maintained that these were replacements for the Ninth Division and 24th Mixed Brigade.

On March 1, two explosions took place in the Whangpoo close to the Japanese flag ship and another Japanese cruiser. The Japanese state that these were caused by submerged mines laid by Chinese in attempt to destroy the vessels.

### Railway Destroyed

In the early morning of March 2, Japanese airplanes, in fulfilment of the threat made on February 29, destroyed a portion of the Shanghai-Nanking railway track near Quinsan.

On the afternoon of March 1, fires broke out in Chapei, which developed into a huge conflagration, causing enormous damage. It is not certain which side was responsible.

The landing of the 11th Division near Liuho exposed the flank of the Chinese position. At the same time the Japanese launched a strong offensive in Kiangwan area and about 4 p.m. on March 1, the Chinese military authorities issued orders for general withdrawal from the whole Shanghai area, including Nantao and Lunghua. The Japanese followed up the retreating Chinese forces, and by midday March 3, had occupied the whole area as far West as Kiating and Nanziang. Woosung which had not been evacuated at the same time as the rest of the area, was assaulted and occupied by the Japanese forces on the morning of March 3.

Early in the afternoon, the Japanese military commander issued an announcement that as the Chinese forces had retreated out of the area designated in the Japanese demands dated Februtoary 18, thereby removing the menace to the safety of Japanese nationals as well as to the International Settlement, he had decided to order the Japanese forces to halt, for the time being, at the point actually held and to stop fighting provided the Chinese forces did not resort to further hostile action. The Japanese naval commander issued an announcement in the same sense. In the evening the Chinese commander also announced that he had ordered all Chinese forces to cease hostilities against the Japanese troops unless attacked by them.

It is important to make clear that all attempts to obtain an agreed armistice have hitherto failed. The Japanese have ceased their advance, for the time being, but local fighting nevertheless occurred in outlying districts during the night.

The interference by the Japanese with the Police and other municipal functions, reported in our second telegram, continued during the whole of the period under review, and formed the subject of repeated protests to the Japanese authorities.

## Shanghai Falls

(*Kansas City Star*)

The Chinese at last have been compelled to retreat from Shanghai, but they have surprised the world, as well as the Japanese, by the courage and discipline displayed in their defense. Although it had been generally assumed that the Chinese troops available at Shanghai were far inferior in equipment and organization to the attacking forces, it took the Japanese army and navy, with all the resources of a first-class power, more than a month to dislodge them.

The fact seems to be that after their comparatively easy victories in Manchuria the Japanese badly underestimated the power of the Chinese at Shanghai. For one thing, the nineteenth route army has shown itself a much more efficient fighting machine than the Manchurian troops. For another thing, the calculations of the Japanese naval commander at Shanghai concerning the number of men needed for the original action were ridiculously low. He sought to occupy the densely populated district of Chapei, with its narrow and crooked streets, with a force of 2,000 marines, when foreign military observers believed the operation would require many times that number. The marines soon were in distress and the admiral then had the district bombed, with a heavy loss of life among the civil population.

As the stubbornness of the Chinese resistance was disclosed, Japanese troops were sent to Shanghai and a combined naval and military attack was launched. Tons of bombs were dropped upon the Chinese positions. The fighting was the most severe since the World War, and both sides reported large casualty lists. To the Chinese the attack upon Shanghai was a signal for suspending domestic disputes and presenting a united front against a common enemy. To the Japanese, once the extent of the opposition was realized, it was a challenge to their national pride.

There are reports that many Japanese would be pleased if it were possible to withdraw their forces from Shanghai without sacrifice of prestige. It is said that operation was started by the imperial Japanese navy, partly out of rivalry for the successes achieved by the army in Manchuria, and that it has been supported mainly by certain industrial interests which fear that the Chinese boycott of their products might turn valuable trade at Shanghai to the British. Whatever the explanation, the Shanghai episode is not likely to be a subject of pride for intelligent Japanese in the future.

## Tung Chi University Opens Temporarily in French Concession

Tung Chi University at Woosung, the premises of which were partially destroyed by the Japanese during the fighting in February, has temporarily established itself at 121 Rue Ratard in the Shanghai French Concession where tuition will be given to 650 students who were compelled to leave the battle area.

With Dr. Hu Shu-hua as President, the University has a faculty of 30 German professors apart from the Chinese staff. The University was situated in the French Concession many years ago and was moved to Woosung in 1917 when it was taken over by the Chinese Government and run as a joint undertaking with the German institution known as Verband fur den Fernen Osten. In 1922 a group of handsome buildings as well as the new workshop and laboratories for the engineering class were erected. The university equipment is German property, the legal owners being Verband fur den Fernen Osten represented by Dr. Slotnarin, dean of the technical faculty.

## Canton Authorities Issue Bonds to Strengthen Air Force

General Chang Hui-chang, commander-in-chief of the Chinese air forces at Canton, has authorized the issue of premium bonds to the value of $5,000,000 in order to secure additional funds to strengthen the air fleet. The air authorities at Canton are planning to build up a strong fleet for national defence with particular reference to the security of Canton and its environs. Since its declaration of refusal to take further part in civil war, the Canton air force has come into considerable favor with overseas Chinese who have remitted funds for buying airplanes.

The appropriation from the South-west Political Council for the air fleet is about $300,000 per month. This sum is sufficient only for upkeep and therefore General Chang has sent a picked propaganda corps to various foreign colonies to arouse the air-mindedness of the Chinese residents.


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## CUSTOMS NOTIFICATION

With reference to Customs Notification of the 20th November, 1931, stating that the new regulations in connection with the registration of vessels and the issue of national papers would be enforced as from the 1st January, 1932, and to Customs Notification of the 12th February, 1932, stating that the enforcement had been postponed to the end of March, 1932, the public is hereby notified that the time limit within which vessels are to exchange their Chiao-t'ung Pu Chih Chao for Certificates of Nationality has again been extended until the 30th September, 1932.

H. O. Tong,
Superintendent of Customs.

L. H. Lawford,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 2nd April, 1932.

# Japan's Subjugation of China

BY FANG LO-TIEN

THE logical and inevitable sequence of the strengthening of Japan's position in Manchuria and the weakening of the Shanghai Chinese fortifications at the mouth of the Yangtze River will be the surrender of China's national existence to the mercy of Japan, will choke China's communications with the world, will put north and middle China under the virtual protectorate of Japan, will open a long series of concessions of China's vital financial resources to the other "Powers", will be the opening of new settlements or, at least, new free ports of all strategical points on China's national defence, will be, in short, the dwindling away and the final disappearance of the Chinese Empire from the world map. But from such process what advantages will there be to the Powers?

(1) *Territorially.*—The United States and Great Britain are already overburdened with overseas dominions. France is now in the midst of apprehensions, Italy on the one hand, Soviet Russia and Germany on the other hand, and, therefore, she desires to consolidate her present possessions rather than seek new territories. For France, for the United States, for Great Britain, more concessions from China would be merely cumbrous protuberances, useless superfluities, more hindrances rather than helps. For Soviet Russia it is a breach of her faith and principle to plunder others' territories; and if she did so, it would spell a total break-down of her particular state structure.

(2) *Economically.*—It is simple commonsense that international commercial and other financial competition in a free China will be less limited and less restricted than in a China under a Japanese protectorate, for, aside from the consideration of the tariffs, the market in a free China will be in the hands of the Chinese themselves where they can consume the imported goods as they please and not under the oppression of any particular country. Therefore, a free and independent China is in a better position to contribute towards the release of the economic pressure of all the nations in the world.

(3) As to the problem of the unspoken of, but yet existing and necessary "balance of power," Japan is now on an equal footing with the world Powers, but she is looming bigger than any one of them. For the past five months she has repeatedly defied the Powers, and this was seen in her rejection of the remonstrations of the United States and Great Britain, in her setting at naught the League of Nations' decisions, in her tearing the sacred international agreements to pieces, and in her bruising the American Vice-Consuls in Mukden and Shanghai. Should she profit any more from this conflict with China and come out of this outrage unpunished, she will overshadow all the Powers in the world and dispose of international affairs in her own way.

4. *From the viewpoint of the world nationalistic tendencies.*—National self-determination is not a new creation, it is inherent in human social instincts. We may still remember that the arbitrations of the Holy Alliance headed by Prince Metternich left behind it a long succession of national troubles, disturbances, and revolutions for centuries in France, Germany, Hungary, Italy, the Balkan States and other European countries, as those arbitrations did not define the boundaries according to the living conditions and rational aspirations of the various populace, but merely according to the selfish ambitions of the arrogant princes for conquest and dominions. Years later when Czar Nicholas initiated the Hague Conference he dimly perceived the importance of the principle of nationality, and this was seen in his proposals to the leading powers of that time. Down to the Versailles Conference President Wilson was the strong advocate for national self-determination and a number of oppressed peoples founded their own states to live in. Up to the present day the nationalistic movement is by no means settled and the independence tendency is growing stronger and stronger in Korea, India, the Phillipines and elsewhere. The Chinese nationalistic spirit, though suppressed in various ways, is exhibiting itself within and without the country in maintaining the national struggle against the Japanese encroachments. Just think how the students all over the country have aroused and are arousing the nation against Japan! Just think how the people, and even the suffering populace, are contributing to their utmost capacity to the cause of this struggle! Just think how stubbornly and vigorously the Chinese volunteer militias are now fighting the Japanese and their national traitors in the Three Eastern Provinces, though they are ill-clad, ill-furnished, and without the least supply from the Nanking government! Just think how the 19th Route Army under General Tsai Ting-kai and other Chinese loyal troops are building with their blood and flesh and their precious souls a bulwark for their dear fatherland against the Japanese invasions! Just imagine how steadily and desperately the whole Chinese people will struggle if their dear fatherland would be merged into a foreign colonistic system, no matter how skilful that system would be, and how eventually they will, in union with all the oppressed peoples of the world, deal an effective and fatal blow and a finishing stroke to those monsters who try to trespass even an inch upon their territorial integrity and political sovereignty!

5. *From the viewpoint of the world communistic tendencies.*—Should the would-be colonistic system be so effective and powerful that there is no opportunity for the Chinese nation to revive, there is still the danger of Communism. Were the Chinese to be deprived of any chance to revive their nation, they must be reduced to a state of penury, of absolute illiteracy; but such a state is liable to communistic ideas and activities. For an enslaved people can never enjoy equality and the physical restraints and sufferings they undergo will stimulate them to rebellions and revolutionary uproars. Such indication may occur in any country where financial pressure and imperialistic oppression is the highest. For the present, China is not very receptive for communism, for what she suffers from is not capitalism but political corruption, and the capitalists in China are not the people engaged in commerce and industries but the politico-militarists. But as soon as China becomes a colony or a dependency of any foreign "Power" or "Powers," the Chinese people will have no selection of measures for revolution. And in that case the present communistic activities all over the world will be greatly reinforced and the world may rest assured to wait and see a tremendous change of the existing social structure all over the world.

What advantage will accrue to the Powers from their direct and indirect help to Japan's subjugation of China? Where is the necessity or advisability for the Powers to help Japan in its conflict with China? Why must they tolerate her in her brutal outrages against international justice?

### China's Lack of Unity No Excuse for Japanese Invasion

The Japanese told Lord Cecil that "not because China is weak, but because she is subject to ineffective central control, the present deplorable situation had arisen." Yes, absolutely right, for if China has effective central control, the Three Eastern Provinces would not go to Japan without any armed resistance on the part of the Nanking Government; Japan would not dare to invade Shanghai; they would not dare to cross the northeastern boundary and create such unprecedented inhuman cruelties on the Chinese territory of the Three Eastern Provinces! But no matter how ineffective the Chinese central control is, no matter how strongly biased "the Chinese militarists" are on "their personal greed and ambition," the correction and improvement of such a situation is the affair of the Chinese themselves, and can by no means be regarded as a pretext for Japan's action of "sheer self-defence." Does Japan not wish to avail herself of the internal conditions of China to create special privileges? As to the broad lie that "both in Shanghai and Manchuria the Japanese forces have lawfully defended their positions when aggressively attacked," this is too absurd to be worth an explanation here; many impartial foreign observers have reported the concrete facts on this point. In his reply to Senator Borah, Col. Stimson has the following remark:

> "In the past our government, as one of the leading powers on the Pacific Ocean, has rested its policy upon an abiding faith in the future of the people of China, and upon the ultimate success in dealing with them on the principles of fair play, patience, and mutual good. . . . . The instability of her attempts to secure a responsible government were foreseen by Messrs. Hay and Hughes and their comtemporaries and were the very obstacles which the policy of the Open Door was designed to meet. We concur with those statesmen representing all the nations in the Washington Conference, who decided that China was entitled to the time necessary to accomplish her development. We are prepared to take that policy for the future."

This prominent statement in support of the principle of national self-determination will ever remain glorious in human history. It is, indeed, a reflection of the enlightened mind of a far-sighted modern statesman. We Chinese people as a whole do earnestly and sincerely hope that all the statesmen of the interested Powers will give us a free hand to fight out the path of our national existence and will not, in spite of delusive and suicidal temptations, plunge us into the powerful whirlpool of world revolutions!

Hangchow, April 4, 1932.

## Students Call on Vice Minister Quo and Ask Pertinent Questions

Seven representives of three influential student bodies, including representatives of the University Students' Association, called upon Quo Tai-chi, vice minister of foreign affairs and chief Chinese delegate to the peace conference March 30 and demanded a reply to a number of queries. One of the questions was: "Why is a peace parley conducted before the Japanese troops have withdrawn?"

Mr. Quo is quoted as replying that so far there have been conferences aiming at the withdrawal of Japanese forces but these have not touched upon political matters pertaining to the issue.

One of the students blurted out: "But it is clearly stated in the agreement that after the withdrawal by Japanese troops, Chinese will be allowed only to police the vacated area. Why is this not a political question and why should Chinese troops not be allowed to be stationed in their own territory?" The reply was to the effect that it is only a temporary measure for the purpose of avoiding conflict.

The students also demanded to know why China should carry on negotiations for peace only with reference to Shanghai, and why the government, while declaring a "long resistance" policy should negotiate for peace.

The foreign vice minister is stated to have declared that he will not be a party to any treaty with Japan which will be humiliating to his country, preferring, he declared, to resign his office.

### Students in Szechuen Also Active

The students at Chengtu (Szechuen Provnce) visited the headquarters of the general in command of the 24th and 28th armies March 15 and obtained statements of their willingness to send troops, but these statements were regarded by the students as unsatisfactory because no date was set for the departure of the local forces.

The revulsion of feeling among the Szechuenese, following the withdrawal of the Chinese troops from Shanghai has been very great. With the news of the retreat of the defending forces and the advance of the Japanese troops a feeling of resentment among all classes of people in Szechuen welled up against the military authorities.

## Double Murder and Suicide at Central Police Station

A double murder and suicide at the Central Police Station in the Foreign Settlement of Shanghai shortly after six o'clock on the morning of April 1 resulted in the death of three Chinese policemen attached to said station. The murderer and suicide was a guard at the entrance gate. He left his place suddenly, shot at a man with whom he had a feud, fired a second shot which hit another man in the close vicinity, fired a third shot into his original victim, then ended his own life with two more shots. There are indications that the dispute between the men had its origin in a gambling game. The murderer and suicide was a man from the North of the Yangtsze and had seen about two years service. His enemy was a Shantung man with ten years service. The innocent victim was a recent recruit from Tientsin. According to a statement made by the wife of the slayer, her husband had not been home for three days, having told her that he had had a quarrel and intended providing a feast to smooth over the matter.

## "Believe It or Not" Ripley Visits China

Robert Ripley, the creator of "Believe It or Not", which appears in the Shanghai *Evening Post* regularly as it does in thousands of newspapers throughout the world in several languages, arrived here end of last week after a tour of the South Seas. After spending several days in Shanghai and vicinity he proceeded north. According to the *Post*, China has probably furnished some of the most astounding facts Mr. Ripley has ever published. Here he learned about Hsieh Hsuan, the transparent man whose bones and organs were visible through skin and flesh and the lighthouse man who had a hole drilled in his skull so he could wear a lighted candle on the top of his head. Then there was Tung, the scholar whose interest in his studies made him forget to take off his clothing for nine years; the oldest man in the world; the priest with 23-inch fingernails, and other facts that would be unbelievable did they not have the authority of Ripley's reputation for veracity behind them.


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# Can Japan Be Stopped?

(*New Republic, Feb. 10*)

WHEN a hostile force lands in a foreign country drops bombs from airplanes on a city crowded with civilians, sets fires, and goes through the streets shooting rifles and machine guns, it is difficult for persons with civilized dispositions to keep their heads. Yet, discounting as far as we may the flare of indignation which behavior of this kind is bound to arouse, our considered opinion is that Japan, by her acts in Manchuria, Shanghai and other parts of China, is guilty of aggression, of violating solemn treaties and promises, in a sense far more clear and less likely to be revised by the subsequent judgment of historians than was Germany when she invaded Belgium in 1914. In addition to the injury she has done to the rest of the world to maintain the sanctity of international obligations and prevent war, she has in Shanghai placed many American and Europeans in imminent danger of their lives. It would be difficult to match for cool effrontery the position of the Japanese government, which first used the International Settlement as a base for military operations against the native population, and then warned the other powers that unless the Chinese military forces were kept back of a broad neutral zone a counter-attack might endanger the nationals of these powers in the International Settlement. For any loss of American lives or damage to American property in Shanghai, no matter how it now may occur, Japan must be held directly responsible.

It is true that the Japanese have done the sort of thing in China which other powers have previously done there, that none of the other nations can with clean hands protest against the violation of Chinese integrity. It is true that the Japanese have had provocation. It is true that under similar types of provocation, and when no stable government existed in the areas where the provocation occured, other nations have landed marines and expeditionary forces—as the United States has done in Mexico and Nicaragua. This should prevent us from objecting to Japan's action on the ground of any superior national morality of our own. But it does not excuse the action of Japan, nor should it forestall vigorous objection to it on the part of those who have consistently objected to the same kind of behavior, no matter what government has indulged in it.

### Frightfulness as a Commercial Weapon

If peace is ever to be safeguarded, this sort of action must stop sometime. That fact has been recognized in the treaties under which the nations have mutually agreed that the settlement of international disputes may no longer be sought by forcible means. Under these treaties provocation, no matter how great, cannot be made the excuse for military action. It is perfectly clear, when one compares with the course of events the notes exchanged between the Japanese government on the one hand and the League of Nations and the United States on the other, that Japan has been aiming, not merely to police disturbed territory near the zones in which her soldiers may legally be, but to exercise military pressure in order to gain her ends in Manchuria. And it is perfectly clear that the present attacks upon great cities in China proper is a calculated use of frightfulness in an attempt to force the Chinese to end their boycott of Japanese goods. The more clearly this fact, and explicit disapproval of it, can be registered by the other nations in their concerted judgments, the better. The United States has already stated that it will not recognize the validity of any settlement imposed upon China by force of arms, and we hope that this decision will be resolutely adhered to.

What further is there to do about it? The first duty is that which our government has apparently begun vigorously to pursue—to get our citizens in China out of harm's way as rapidly as possible. We hope that those charged with this duty have rigid instructions to avoid any embarrassing incident which may further inflame emotions. We have no interest in the Far East which justifies the sacrifice of a single American, Chinese or Japanese life. It would be intolerable to do anything which might lead to hostilities in the protection of national interests there. We hope not only that we get out of China but that we stay out until we are ready to go back at the invitation of a Chinese government, to live under Chinese laws and to submit to Chinese courts.

There remains the question what can be done about Japan's violation of her pledges and her threat to the peace of the world. Admitting that she has outlawed herself, that she is a guilty nation, the world's experience in attempting to serve the future of peace by punishing a "guilty nation" in 1914 and thereafter does not lead us to advocate a repetition of the enterprise. *The New Republic* has consistently opposed the principle of military sanctions; you cannot have peace by substituting a world war for a two-party conflict. It would be folly in any event to attempt to fight Japan at the other side of the Pacific. And the same logic applies to economic sanctions. In their effect upon those participating, if they are effective at all, they would be almost indistinguishable from war; they would bring unemployment, starvation and collapse upon all concerned. It is scarcely conceivable that they could be enforced without blockades and reprisals which would soon lead to military measures themselves.

Peace will not come until the several nations understand that their interests are best served by peace, that they can gain nothing worth having by conquest and imperialism. Japan, even if she does not meet effective military opposition by China or any other nation, is bound to have a costly lesson of this sort enforced upon her by the action of her own militarists in the present instance. Her economy is such that she cannot sustain her population except by an extension of her international trade in a peaceful world, except by limiting her budget and avoiding the extravagance of large military and naval commitments. The military have long contended that, by controlling Manchuria and using force against the Chinese, they can aid the prosperity of Japan and end the boycott. This is pure madness. The Japanese people cannot colonize Manchuria in competition with the Chinese; they cannot gain any benefits from the limited natural resources of Manchuria under their own rule which they could not gain under a native government. Some Japanese may make more profit from this procedure, but the Japanese masses will not get any more food and clothing from it. Japan cannot keep armies in China forever to force the Chinese to buy Japanese goods at the point of the bayonet. They cannot borrow abroad to finance any such insane policy. The most significant news of the day is the precipitous drop in prices of Japanese bonds and the closing of the stock exchange in Tokio. This foreshadows the economic disaster which the present policy invites. Isolated by world opinion, and with no enemy to use as a scapegoat, the military party which controls the Japanese government should be left to reap the whirlwind which it has sown.

## No Curb on War News

(*From the Chicago Daily News*)

During the world war many obituaries were written on the old-fashioned type of war correspondent. The careful shepherding of newspaper representatives by European armies in the World War, and the drastic censorship exercised over their reports, suggested to many commentators that the old school of war correspondents, represented by William E. Russell of the London *Times* in the Crimean and the American Civil War, and by Archibald Forbes and J. A. MacGahan, had disappeared forever. Only official handouts rigorously edited by the base censorship it was thought, could be expected from twentieth century war zones.

The reports reaching American newspapers from the fighting front in China have shattered that belief. Old-style war correspondence has emerged once more. Morris Harris of the *Associated Press* and others have cabled from Shanghai eyewitness accounts of the fighting which are as graphic and as replete with the naked horror of war as any that came from the war chroniclers of eighty years ago. These indomitable searchers for news have moved as freely about the fighting lines and risked their lives as dauntlessly as did any of their predecessors.

Evidently Japanese military authorities have been advised that foreign public opinion has reacted unfavorably to reports of Japanese executions of Chinese civilians as forwarded by American eyewitnesses. At any rate, Japan has barred correspondents from its fighting front, at least temporarily. Doubtless it will organize officially chaperoned excursions of accredited correspondents as it did during the Russo-Japanese War, and as was customary during the World War. The Chinese, on the other hand, permit correspondents to rove along the battle front at their own pleasure and peril.

To the discomfiture of the Japanese, correspondents' dispatches covering the battle movements reach their destination in American and European newspaper offices promptly and without censorship. That is made possible by the extraterritorial status of the international settlement in Shanghai, which is literally on the fringe of the battle fields. Thus far Japan has not been able, and China has not attempted, to exercise control over cables sent from that favored zone.

# The Sino-Japanese Crisis in Pictures

For several weeks *The Review* has been printing pictures of Chinese and Japanese military activities in the Shanghai area, showing military movements, trench life, devastated areas, refugees, etc. Many of these pictures were purchased at heavy expense, from photographers, professionals and amateurs, some of whom risked their lives in obtaining the pictures.

Owing to limitations of space, dozens of pictures could not be printed—hence we now desire to share them with our readers—at a price just sufficient to cover cost of printing, plus postage.

Persons desiring copies of pictures printed in *The Review* or others may obtain them, with descriptions printed on the back of each photographic print, by sending to the Picture Editor, the sum of $1 for each picture designed, the sizes ranging from 4-in. x 5-in., to 5-in. x 7-in.

The pictures are genuine photographic originals on glossy paper and not electrotype reproductions such as one sees on display in most post-card racks in the average shop.

Since the supply is limited, please write at once, stating number and type desired, enclosing check with order. For convenience use the attached coupon:

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Picture Editor
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My check for $..... is enclosed. Please send pictures to the following address:

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City .....

# Men and Events

Miss Viola Smith, U. S. trade commissioner in Shanghai, will proceed to the United States about June 1 on vacation, after an absence from home of three years.

W. Bert Hall, American aviator who has served as an instructor at various times in the past to the Chinese army fliers, returned to China from the United States end of last week.

Demarest C. Bess, *United Press* and *C. S. Monitor* correspondent, addressed the Shanghai Navy Y. M. C. A. April 30, on the work of correspondents during the present crisis in China.

Cheng Tien-fang, former Provincial Commissioner of Education for Anhwei, has been appointed President of the National Chekiang University. Mr. Cheng succeed Shao Fei-yu, who resigned recently.

A private named Ireland of the British Lancashire regiment in Shanghai was accidentally shot dead by a fellow soldier April 1 when the latter discharged a revolver which he was cleaning.

Washington advices state that President Hoover is urging the abolition of the United States Shipping board on the ground that reorganization of the Government's merchant marine activities is advisable.

The Chinese Government paid $93,000 into the Treasury of the League of Nations at Geneva end of March, this sum being the annual instalment on account of the arrears in the Chinese contributions to the League funds.

The U. S. gunboat *Tulsa* arrived here end of last week and will be placed in drydock for overhauling. The U. S. gunboat *Sacramento* also recently arrived in Shanghai, the latter having made the trip here direct from the United States.

Dr. Sherwood Eddy, former Y. M. C. A. official, in lectures delivered in Kansas City, Mo., February 18 described the present military offensive of Japan as a menace not only to China, but to Japan itself and to the rest of the world.

Dr. R. M. Hogan, until recently training secretary of the Y.M.C.A. in Tsinan has joined the National Committee in Shanghai. D. Leinnung Street, of the Peiping Y.M.C.A. has been allocated to Yenching University where he will serve as dean of the Y.M.C.A. secretaries studying there.

Edward Bing-shuey Lee, editor-in-chief of *The Leader* (Peiping), which suspended publication in January at the peremptory demand of the Japanese military, in a recent letter to Lord Lytton, head of the League Enquiry Commission, intimated that plans are on foot to resume publication of the paper.

A Tokyo message dated April 2 stated that in view of the fact that American feeling towards Japan had been much aggravated owing to the Manchurian and Shanghai Incidents, the Japan Economic Federation intends to despatch a representative to America in order to bring about a better feeling between the two countries.

Four hundred young pigeons have been acquired by the Japanese army in Japan, most of them being intended for service in Manchuria. The youngest of the new recruits is reported to be 40 days old and the oldest about six months. Two months of careful training are required before a pigeon is ready for actual service.

Mrs. Elizabeth Short, of Tacoma, Washington, mother of Robert Short, the American aviator who was killed in an aerial battle at Soochow February 22, is due to arrive in Shanghai on the Dollar liner *President Taft* April 19. Mrs Short has come to China to attend the funeral of her son. While here she will be the guest of the Chinese government.

Direct wireless service between San Francisco and Mukden will be inaugurated before long as a result of an agreement reached between the American Radio Corporation and the new Government of Manchukou, according to a *Rengo* message from Mukden. The Northeastern Wireless Station in Mukden is to be renamed the Mukden Central Wireless Station.

The Supreme Court at Nanking on April 2 formally commenced the hearing of the case against Mr. and Mrs. Noulens who have been indicted for subversive activities against the National Government. Noulens and his wife, as alleged agents of the Third Internationale, were at first tried in the Soochow Provincial High Court. The case was recently transferred to Nanking owing to the outbreak of the Sino-Japanese hostilities in the Shanghai district,

# Who's Who in China

王思義字正軒
Wang Shih-yi

Wang Shih-yi, military officer; born at Hochao Hsien, Shangtung, in 1897; after receiving his military education from Higher Miltary Training School, he had served as regiment and brigade commanders; later made commandant of the 2nd Division; garrrison commander of West Shantung and concurrently chief commander of the Min-tuan or People's Army; now vice commandant of the First Cavalary Division of the Nationalist Revolutionary Army.

王思義，字正軒，年三十五歲，生于山東賀劍縣，卒業于高等軍事學校後，即任團旅長，繼任第二師師長，升任魯西鎮守使，同時任民團軍長，現任國民革命軍騎兵第一師副師長職。

## Wang Ching-wei Explains Kuomintang Position

Wang Ching-wei, the head of the Executive Yuan, came down to Shanghai at the beginning of the week and conferred with Sun Fo and other prominent political leaders, among them T. V. Soong, Minister of Finance. The principal topic of discussion was the National Emergency Conference scheduled to be held at Loyang April 7.

The *Kuo Min* news agency interviewed Mr. Wong and received replies to a number of questions, the most important being following:

Question: Quite a number of persons allege that the sole object of the Government in calling the National Emergency Conference is to shift the responsibility for deciding upon peace or war (with Japan) to the shoulders of members of the Conference. Does the Government really entertain any such intention?

Answer: As most well-informed people must be aware, the present Japanese aggressions are inspired by an opportunist policy taking advantage of the parlous world situation, as well as the so-called Pacific problem. Since the reins of government are now in the hands of the Kuomintang, the Party naturally cannot shirk the responsibility for coping with this grave question. While we cannot say definitely that the Kuomintang will be able to reach a satisfactory solution of the question, the fact remains, however, that ever since September 18 last year, the Kuomintang Government has unwaveringly refused to sign any treaty derogatory to national rights and honor but has chosen instead to make various sacrifices.

## Japanese to Lay Cable Between Dairen and Osaka

A Japanese telegram from Mukden April 3 stated that with a view to relieving the congestion of telegraphic messages which has been accentuated since the Japanese occupation of Manchuria the Kwantung Government-General authorities have decided to construct a submarine cable between Dairen and Osaka. The work will be commenced in June this year and completed by the early part of next year.

### PUTTING CHINA ACROSS AT CHICAGO

(Continued from page 184)

(Continued from page 184)

But when dealing with young growing institutions which are still pliable to influences, a strict scientific measurement of their bad as well as good qualities must be told.

**Exhibits Should Have "Get Together" Motive**

All the exhibits should be held together by having one purpose: to bring America and China together on a basis of assumed equality. Facts, not sentiments; today, not the past; future potentialities, not statistics of today. And most of all, by pointing to aspects in which the two nations resemble each other, not pointing to the picturesque, exotic or extraordinary. This means a less entertaining exhibit than the Paris colonial exposition which had precisely the aim this Chinese exhibit wishes to dodge. The Paris exposition tried to give the impression of a strong capitalistic Empire rich in potential markets and sources of raw material in Colonies inhabited by actors, dancing girls, and serfs. A colony is interesting to us by its bizarre difference from us, but when we want a nation to sit beside us in full equality and we wish to be at home with him, we choose that nation which most resembles our own. The Paris Exposition succeeded in its aim. The Chicago exposition will fail in its aim if its success is along the path of the Paris Expositions. The Chinese exhibit there will fail if it stimulates charity and tourist visitors at the price of American confidence in the fundamental similarity between the two peoples. The nearer Americans think the Chinese are to themselves, the more will they consider that China has a right to her own opinions and non-American habits. You respect the rights of your friends but not of your servants or factory hands.

Peiping, March 28, 1932.

## America's Inevitable Conflict with Japan

Admiral Henry Wiley, commander of the United States Fleet from 1927 to 1929, according the *China Press* declared in a speech before the Board of Trade in New York, March 31 that, in taking a realistic view of the Far Eastern situation, an American war with Japan was inevitable unless the United States is willing to abandon its position in the Orient. "The United States," said the former commander of the American Fleet, "is facing the alternative of getting out of the Western Pacific and turning over its commercial interests to Japan, or of taking a militant stand and preparing for the inevitable conflict." He discussed the situation in Manchuria from what he asserted was the realistic standpoint, pointing out that Japan's actions in the Northeastern Provinces of China and in Shanghai are presenting America with ugly alternatives.

## Nanking-Loyang-Sian Air Service Opened

The Eurasia Aviation Corporation last week inaugurated the Nanking-Loyang-Sian air service. Plans are under way for the extension in future of the air service from Sian to Sinkiang Province so that the line may be connected with that operated by the Russian Government and which covers various European cities. Planes of the newly-inaugurated air service will take off from Nanking every Wednesday and Friday morning and after reaching Sian, will fly directly to Peiping. The return flight from Peiping will be made every Tuesday and Thursday. The whole air journey from Nanking to Peiping via Sian or vice versa will take from nine to ten hours only. When complete normalcy is restored in Shanghai, the service will be extended from Nanking to Shanghai.

## French Sailors Turn Communist on Eve of Far Eastern Trip

The fact that the crew of the battleship *Primauguet*, under sailing orders for the Far East, had to be replaced by new men at the minute, owing to their being contaminated by Communist propaganda, was disclosed in a recent *Transocean* telegram from Paris. The men, after having been brought ashore were detained in barracks pending an investigation. The captain of the battleship was summarily removed from his post. He is charged with having been too lenient towards the unruly elements and having thereby encouraged their designs. He may be tried by court martial.

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Think of this and resolve to get well, there is much you can do for yourself. If you have been neglecting your health, overworking, ignoring the warnings of nature, and have become run-down, suffer from an almost habitual tired feeling, help yourself by starting on a course of that reliable blood and nerve tonic

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# New Books of Interest in the Far East

## "The Sun that Shone for All"

*When Dana Was The Sun, A Story Of Personal Journalism, By Charles J. Rosebault; Robert M. McBride & Co., New York.*

Charles A. Dana was one of the classic "giants" of American journalism. He flourished in the latter part of the last century and the beginning of the present one, during largely the same period as Pulitzer, of the late *World*, the elder Bennett, of the late *Herald*, and Godkin, of the *Post*, all of New York.

These "giants" differed greatly from each other. Bennett and Pulitzer had much in common in sensational presentation of the news of the day, but either was very conservative compared to the startling journalism of the present William Randolph Hearst, not to mention the tabloids. Pulitzer was also strong on "crusading—that is, slashing publicity campaigns over a long period of time with an announced objective of some reform, which might have been almost anything from physically cleaner streets to a morally cleaner City Hall. Godkin was also something of a crusader, but much more of a scholar, and the methods of Pulitzer or Bennett were not only utterly alien but very distasteful to him. Dana also was something of a scholar, but more of a cynic, or, perhaps more exactly, an ironic iconoclast. It was this characteristic, reflected in both the news and editorial columns of the *Sun*, that made it perhaps the most unique and one of the most exhilirating newspapers ever published in the United States.

Dana started his journalistic career under Horace Greeley, another "giant" of American journalism who slightly preceded Pulitzer as well as Dana, but who was contemporary with Godkin and Bennett in their earlier days. Greeley, however, was more of a moralist than a journalist, in which respect he differed profoundly from Dana and Bennett and not quite so profoundly from Pulitzer and Godkin.

In his youth, Dana was a member of the Brook Farm colony, an experiment in idealistic communism that was sponsored by Emerson, Hawthorne, and other eminent American intellectuals of that day. Then, joining Greeley's *Tribune*, he became a sub-editor and subsequently a correspondent in Europe. Returning from Europe at the time the American Civil War loomed, Dana broke with Greeley, as was inevitable, considering the fundamental differences between the two men. Dana then served as an observer for the Lincoln administration in the northern armies and proved very competent in this work. Later he was Assistant Secretary of War.

After the Civil War he founded the *Sun*, that is, he bought a paper of that name and made it into the *Sun* that is always associated with his name and which bears virtually no resemblance to the *Sun* of before, or to the *New York Sun* of today. During most of Dana's life the Sun consisted of but four pages, which even by our modest Shanghai standards is an exceedingly small publication. But it had a literary excellence and delightful irony never before, and rarely since, matched in American journalism. In many respects, however, it was more interesting than informative, more literary than "newsy." But it catered neither to its subscribers or its advertizers. In fact, Dana wanted to get rid of the latter altogether but never was quite able to succeed. Unlike Godkin, who did not even want subscribers, at least in very large numbers, Dana did want readers, but only readers who appreciated him.

Readers, and admirers, in fair quantity, for those days, Dana did have although sometimes he lost large numbers of them by flouting popular prejudices. His fight against Cleveland, for example, reduced the *Sun's* circulation from 158,000 to 78,000, but the fight continued. Regardless whether the fight was justified, any journalist's heart warms to Dana, especially in these days when most newspapers endeavor never to offend even a regular reader, and an offense to an advertizer is in the same category with counter-revolution in the Soviet Union.

It is not surprising that, of all the "giants" of his day, Dana has been least imitated in modern American journalism. An iconoclast usually is not very popular either with the masses who buy newspapers or the classes who advertise in them. To the best of this reviewer's knowledge, only one American newspaper, the *Baltimore Evening Sun*, today makes any effort to infuse either its news or editorial columns with the irony and, at times slashing cynicism, that characterized Dana's *Sun*.

Much as Dana's *Sun* is to be admired, it left a lot to be desired. It was short on the solid imformation that is necessary for one who would keep up with and correctly evaluate the times. The *New York Times*, dull as it may be, is and was a far better source of factual information than Dana's *Sun* ever was. Perhaps it is not possible to combine Dana's attitude with a comprehensive account of what is going on in the world. Certainly the *Baltimore Evening Sun* is not nearly as complete a vehicle of imformation as the more staid morning *Sun* published by the same company.

Mr. Rosebault has given a very complete although rather superficial account of Dana's life and the *Sun* under his direction. Dana really deserves something more Danaesque, but in the absence of that Mr. Rosebault's book is to heartily commended to all who are journalists, or aspire to be, or are interested in the "inside" of journalism.

W.B.

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## Soviets Sentence Would-be Slayers of German Envoy to Death

The trial of Judas Stern and Sergey Vassiliev, charged with an attempt on the life of Herr Von Dircken. German Ambassador to the U. S. S. R. terminated at Moscow on the morning of April 6 with the court finding both defendants guilty and sentencing them to death by shooting. At the close of the trial the State Prosecutor, Nicholas Krylenko, declared in his address to the court that the threads of the crime with which the defendants were charged spread into the thick atmosphere of international life.

"The crime," he said, "must be regarded in connection with the thundering of guns and the shedding of the blood of the toilers of China, Japan and the Far East generally. The spectre of bloody conflict becomes increasingly plain, the situation being aggravated by the world economic crisis.

"The line of the working-class of the U.S.S.R. in regard to these questions is a firm policy of peace, finding expression in the plan for the second Piatiletka (Five Year Plan .... and those trying to disrupt it will meet with merciless resistance."

The accused had confessed that their crime was motivated by a desire to create a crisis between Germany and the U.S.S.R. which they believed would probably lead to an even greater crisis for the Soviet Union.

Both Stern and Vassiliev listened to the death sentence without any apparent emotion. After it was over, however, Stern collapsed and wept bitterly in the open court.

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## Shanghai Foreigners To Organize Buddhist Study Group

Some twenty foreigners of various nationalities in Shanghai have decided to form a class for the study of Buddhism. The decision was made on Sunday afternoon, April 3 following a lecture by Trebisch Lincoln which was given at the home of Mr. and Mrs. Chester Fritz at 62 Route de Bossezon, this being the second lecture on Buddhism which Mr. Lincoln has delivered to foreign audiences in Shanghai. In addition to an explanation of the principles of Buddhism, Mr. Lincoln told of the formation of Buddhist groups in France, Germany and the United States. Mr. Lincoln, who once was known as the "international spy" and who served for a time as a member of the British Parliament, finally decided to become a monk of the Buddhist faith and for several years has lived in Chinese temples making a study of the faith. He is now a fully ordained monk attached to the Chinese Buddhist church.

A further meeting of the study group was held this week at the home of Baron and Baroness Ungern-Sternberg, 106 Route Edan.

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## Boycott Weapon Urged Against Violators of Kellogg Pact

A world conference to decide whether an economic boycott could be accepted as an instrument for enforcing the Kellogg-Briand pact, which renounced war as an instrument of national policy, was suggested in a speech made in New York April 4 by Alanson B. Houghton, a former Ambassador to Great Britain. Mr. Houghton argued that nations which broke treaties could not wage a war successfully without credits, munitions and supplies from the nations which kept the treaties.

# Anti-Kuomintang Manifesto Says Loyang Conference Is Too Limited

Declaring that the present system of Party dictatorship lies at the very root of the nation's troubles and that the existing national emergency can never be successfully tackled without the abolition of this system, over 60 members of the National Emergency Conference in Shanghai, in a joint telegram to the National Government April 5, stated that since the scope of the conference has already been limited by the Government, it would serve no useful purpose for them to attend the conference.

The signatories of the telegram include Messrs. Chang Yao-tseng, Sze Liang-tsai, Yu Ya-ching, Hsu Sing-loh, Chien Yung-min, O. S. Liu, Li Ming, and Dr. John C. H. Wu.

### Need for Co-operation and Unity

The telegram says inter alia:—

"It is our firm conviction that the most essential condition, with which a nation must be equipped in its struggle for existence, is co-operation and unity. It is upon the presence or lack of this essential condition that the prosperity or decline of a nation depends. The fact that the Chinese nation has become so weak as to be bordering upon extinction is, in our opinion, due mainly to the lack of this co-operation. It is a fact known to everybody that during the two decades of her existence, the Republic has been distraught by ever-recurrent and serious domestic strife and bickerings. With the coming into being of the system of Party dictatorship in recent years, the road to the co-operation of people in the political administration of the country has been completely blocked; with the result that not only have the people become estranged but constant friction and disputes have also arisen between the Party members. An atmosphere of confusion and discontent has thus prevailed. It was by taking advantage of this state of affairs that the Japanese have heaped upon us the series of humiliations since September 18 last year. Unless such a condition is immediately rectified, our extinction as an independent nation will be imminent."

### Oppose One-Party Dictatorship

Continuing, the signatories of the telegram point out that they had originally contemplated bringing up at the forthcoming conference proposals designed to remove this untenable state of affairs by the abolition of one-party dictatorship and the establishment in its place of a constitutional form of government. Since, with the limitation of the scope of the conference by the Government, such proposals would be ruled out, they do not see what useful purpose could be served by attending the conference. It is their firm conviction that the fundamental and foremost question to be solved at present is this constitutional change, and that without the solution of this vital question, all efforts at overcoming the present national crisis will be doomed the failure.

Concluding, the signatories declare that although for the reasons enumerated above, they do not consider it desirable for them to attend the conference, they still hope however that the Government will appreciate their point of view and unhesitatingly remove what, in their opinion, is the root cause of all the present troubles.

### One Optimist

Despite the fact that the majority of the Shanghai representatives have refused to attend the National Emergency Conference on account of the limitation of its scope by the Government, a few prominent leaders, including Wang Hsiao-lai, Chairman of the Chamber of Commerce, arrived in Nanking from Shanghai April 5 en route to Loyang to attend the conference.

There is, however, no difference of views between Mr. Wang and those members who refuse to attend, as in an interview he intimated that among other proposals, he would bring up at the conference proposals for the abolition of Party dictatorship and the establishment of a Constitutional Government. Mr. Wang was reticent however as to how he proposed to get his proposals discussed by the conference in the face of the Government's ruling limiting the scope to questions of resistance against foreign aggressions, suppression of communist-bandits and flood relief.


## IN THE UNITED STATES COURT FOR CHINA

In re.
Estate of ROBERT McCAULEY SHORT Deceased

Cause No. 3431
Special Proceedings No. 777
NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of Robert McCauley Short, deceased, to present the same with vouchers to the undersigned on or before October 9th, 1932, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Shanghai, China, March 31, 1932.

James B. Davies,
c/o Schuhl, Davies & N. E. Lurton,
141 Szechuen Road,
Shanghai.

## In the United States Court for China

In re.
Estate of JOHN WALL ALLEN Deceased

Cause No. 3424
Special Proceedings No. 774
NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of JOHN WALL ALLEN, deceased, to present the same with vouchers to the undersigned on or before October 23, 1932, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Shanghai, China.
March 28, 1932.

Thomas Jefferson Whitaker.
c/o British Cigarette Co.
Shanghai.

60-225

# In the United States Court for China

IRENE MESSURO CORCORAN
Plaintiff,
vs.
GEO GE H. CORCORAN
Defendant.

Cause No. 3434
Civil No. 1538
ORDER
Filed at Shanghai, China
April 4, 1932.
JAMES M. Howes,
Clerk.

The object of this suit is an application for divorce.

WHEREAS, plaintiff herein, by her attorneys, has this 4th day of April, 1932, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 4th day of April, 1932, the summons for defendant was returned by the United Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 2nd day of April, 1932, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has he resided therein since November 1928, and that defendant's last known address was Washington, D.C., U.S.A.

NOW, THEREFORE, it is this 4th day of April, 1932, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review* a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occuring after the 23rd day of April, 1932, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China,
this 4th day of April, 1932.

MILTON D. PURDY
*Judge*


# SYMPOSIUM ON JAPAN'S UNDECLARED WAR IN SHANGHAI

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**Chinese-American Publishing Company**
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**China Weekly Review**
38 Avenue Edward VII

60-226


## Seattle Lawyer Donates G. $100 to Nineteenth Route Army

The Chinese newspapers both in Soochow and Shanghai have printed photographic reproductions of a letter which Arthur P. Redman, an attorney-at-law with offices at 1101 Second Avenue, Seattle, has written to General Tsai Ting-kai enclosing a donation of G. $100 to the Nineteenth Route Army. Mr. Redman's letter which accompanied the check read as follows:

"Please accept the enclosed draft in token of my admiration of the heroic defence of Shanghai by the 19th Route Army. You are fighting against great odds, but, as the famous Shakespeare said, more than 300 years ago:

"He is thrice armed that hath his quarrel just, yet naked, though encased in steel, is he whose conscience with injustice is corrupted."

"Stick to it and you will win. I pray for your success and the Chinese people."

Translations of the letter are being distributed among the officers and men of the army stationed on the Chinese defence lines.

## German Appeals Against Theft-of-Wheat Sentence

A German citizen name Peters who was sentenced in the Shanghai Special District Court recently for the theft of Flood Relief wheat has lodged an appeal. During the proceedings in the High Court April 4, the appellant was presistent in pleading not guilty to the charge, it being asserted by him that he sold the wheat on a commission basis for an American, who had implicated him and that he did not know that the wheat was stolen property when he was told by the American to hire the lighters for the transportation of the cereal. The American had implicated him in the American Court in order to shift the responsibility for the theft to his (the appellant's) shoulders, the appellant stated.

## Filipino Independence Bill Passed by House of Representatives

The House of Representatives by a vote of 306 to 47 passed the Hare Filipino Independence Bill April 4. By provisions of the bill, the Islands would go through an eight-year transition period, finally achieving an independent status without the necessity for a plebiscite (vote of the Filipinos themselves) as has been provided by other proposed legislation.

The *United Press* says that while the bill received a surprisingly overwhelming majority, this fact is not expected to affect its initial fate, for President Hoover is considered thoroughly pledged to veto any Philippines Independence legislation at this time. The real test will come when the bill is returned to the House for passage over the Presidential veto. If the President should veto the bill it is believed now there will be a strong drive to line up Republicans behind the Administration.

## League Enquiry Commission at Hankow

The Enquiry Commission of the League of Nations arrived at Hankow April 4 and despite previous reports that the Hankow Chinese were of opinion that it should hurry on to Manchuria instead of stopping at that city, it received a very hearty welcome.

General Ho Chen-chun, the Commander of the Government troops in the Hankow area, General Hsia Tao-yin, the newly-appointed Chairman of the Hupeh Provincial Government, and Ho Pao hua, the Mayor of Hankow, met the Commissioners at the wharf. Strict precautions had been taken to prevent any untoward incident and the wharf and all the roads from the wharf to the hotels were heavily guarded by troops, detachments from the 10th Army Corps, gendarmes from the Hankow Garrison and a number of marines from the gunboat *Yung Sui* all being called out for the special duty.

The Commission visited the flood area April 5, and in the evening were entertained at dinner by General Hsia Tao-yin. It departed from Hankow on the morning of April 6 for Pukow enroute to Peiping.

## Famine Relief Committee Does Excellent Work

The Chinese-Foreign Famine Relief Committee of 12 Jinkee Road, Shanghai, has undertaken the repairs to six breaks in the Grand Canal dikes near the city of Kaoyu. Last summer the Grand Canal dikes broke in many places, and the flood-waters rushed through and carried away men, women, and children, laid bare their homes and farms with all that they contained, and generally inundated immense areas in the hitherto prosperous Kiangpei counties. The crops were not only destroyed, but the water remained on the land. The work that the Relief Committee is carrying on assures that there will be, barring adverse weather conditions, a bumper rice crop in North Kiangsu this summer.

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One does not expect a husband to be a very satisfactory person but some are better than others. And the worst of them is certainly improved when his digestion, his liver and other internal organs are functioning properly.

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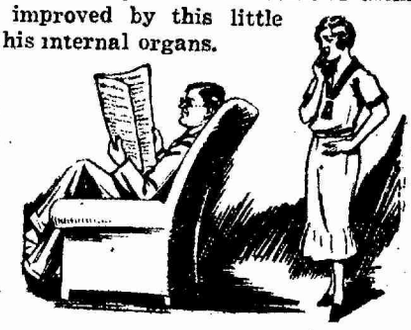

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All chemists sell Pinkettes, Liver and Laxative Perfection.

## Latest New York Stock Exchange Quotations

Market Weak — Business Done 1,500,000 Shares
April 6, 1932

| 1931 High | 1932 Low | Div.$ perSh. | STOCKS | Mon. Apr. 4 | Tues. Apr. 5 |
|---|---|---|---|---|---|
| 23½ | 3⅛ | .— | Adams Express | 3¾ | 3⅝ |
| 182¾ | 62¼ | *6.00 | Allied Chemical & Dye | 71¾ | 68½ |
| 42¾ | 9⅝ | .50 | Allis Chalmers | 9⅝ | 9¾ |
| 129¾ | 54⅛ | *4.00 | American Can | 59¼ | 56½ |
| 51¾ | 3¼ | — | Amer. & Foreign Power | 3¼ | 2⅞ |
| 31½ | 2 | — | Amer. & For. Power W. | 2 | 1½ |
| 85½ | 9⅝ | .50 | American Smelting | 9⅝ | 8⅛ |
| 201¾ | 107¾ | 9.00 | American Tel. & Tel. | 111⅜ | 107¾ |
| 132¾ | 64 | *5.00 | American Tobacco "B" | 76¾ | 73½ |
| 80¾ | 23⅛ | 3.00 | American Waterworks | 24½ | 22 |
| 43¼ | 5⅞ | — | Anaconda Copper | 5⅞ | 5¼ |
| 295½ | 61½ | *4.00 | Auburn Automobiles | 61½ | 56 |
| 87⅞ | 11⅝ | — | Baltimore & Ohio | 11⅝ | 10⅞ |
| 70⅜ | 16¼ | — | Bethlehem Steel | 17 | 16⅛ |
| 76½ | 34¾ | *3.00 | Borden Company | 37¼ | 36 |
| 30¾ | 7 | 1.00 | Borg Warner | 7¼ | 7 |
| 45¾ | 10¾ | 1.25 | Canadian Pacific Railway | 14⅛ | 13¼ |
| 131½ | 26⅝ | — | Case J. I. | 30½ | 28 |
| 54⅛ | 10⅜ | 3.00 | Chesapeake Corp. | 10⅜ | 9⅞ |
| 25¾ | 10¼ | 1.00 | Chrysler | 10¼ | 10 |
| 20¾ | 5 | .30 | Cities Service, Co. | 5¼ | 5⅛ |
| 45⅝ | 10⅝ | 150 | Columbia Gas & Electric | 10⅝ | 10 |
| 12 | 3 | .30 | Common wealth &Southern | 3 | 3 |
| 2¾ | ⅜ | — | „ „ warr. | ⅜ | ⅜ |
| 109⅝ | 54¼ | 4.00 | Consolidated Gas. of N.Y. | 56⅞ | 54⅜ |
| 12 | 5⅜ | — | Continental Oil | 6 | 6 |
| 86⅝ | 36¼ | *3.00 | Corn Products | 39 | 37⅝ |
| 5⅞ | 1 | — | Curtiss Wright Co. | 1 | 1 |
| 78¾ | 42¾ | 4.00 | Drug Incorporated | 45½ | 43⅝ |
| 107 | 44 | 4.00 | Du Pont de Nemours | 44⅞ | 42⅜ |
| 185¾ | 69⅞ | 5.00 | Eastman Kodak | 71¼ | 68½ |
| 61 | 6¼ | 6% S | Electric Bond & Share | 16⅝ | 13 |
| 38⅜ | 2½ | — | Fox Film "A" | 2⅝ | 2½ |
| 54⅝ | 16⅞ | 1.00 | General Electric | 16⅞ | 16 |
| 56 | 28¼ | 3.00 | General Foods | 35 | 33¾ |
| 48 | 14⅞ | 2.00 | General Motors | 14⅞ | 14¼ |
| 84⅛ | 15 | 3.00 | General Railway Signal | 15 | 14 |
| 38¾ | 9¼ | 1.00 | Gillette | 18¾ | 17¼ |
| 42½ | 14½ | 1 60 | Gold Dust | 16 | 15⅝ |
| 20⅛ | 3⅜ | — | Goodrich Rubber | 3½ | 3¼ |
| 52¾ | 10⅝ | 1.00 | Goodyear Tire & Rubber | Unq. | 10¾ |
| 22⅝ | 4 | .50 | Granby | 4⅛ | 3⅞ |
| 62½ | 9½ | 2.00 | International Cement | 9½ | 9⅛ |
| 4 | ½ | — | International Combu. Eng. | ¾ | ¾ |
| 60½ | 18⅞ | 1.80 | International Harvester | 18⅞ | 18½ |
| 20⅛ | 7 | — | International Nickel | 7⅛ | 7 |
| 38¾ | 6⅛ | — | International Tel. & Tel. | 6¼ | 5⅜ |
| 80¾ | 13⅝ | — | Johns Manville | 13⅝ | 12⅞ |
| 31½ | 6¾ | — | Kennecott | 7 | 6½ |
| 27¾ | ½ | 1.61 | Kreuger & Toll | ¾ | ⅝ |
| 91¾ | 40 | 4.00 | Liggett & Myers, "B" | 52⅞ | 50½ |
| 63¼ | 23¼ | 3.00 | Loew's: Inc. | 24½ | 23 |
| 21⅞ | 10 | 1.20 | Lorillard P. Co. (com.) | 14⅛ | 13⅝ |
| 19 | 1½ | — | Ludlum Steel | 4 | Unq. |
| 29¼ | 6⅝ | — | Montgomery Ward | 7½ | 7¼ |
| 40⅞ | 12¾ | 2.00 | Nash Motors | 12¾ | 12¼ |
| 108⅓ | 34½ | 3.00 | National City Bk. bid price | 40½ | Not |
| 14¾ | 3 | — | Nevada Consolidated Co. | Unq. | 3 |
| 132¼ | 23¼ | — | New York Central | 24⅛ | 22¾ |
| 90¼ | 26 | 10%S | North American Aviation | 28⅜ | 27 |
| 54⅞ | 29½ | 2.00 | Pacific Gas & Electric | 29½ | 28⅞ |
| 11⅞ | 2⅞ | — | Packard Motors | 2⅞ | 2½ |
| 50¼ | 5½ | — | Paramount—Publix. Corp. | 6½ | 6 |
| 64 | 15⅛ | 2.00 | Pennsylvania Railroad | 15⅜ | 14½ |
| 8½ | 1¾ | .40 | Pennroad Corporation | 2⅛ | 2 |
| 16⅝ | 3⅞ | — | Phillips Petroleum | 5½ | 5 |
| 96 | 44⅝ | 3.40 | Public Service of N.Jersey | 50 | 48 |
| 27½ | 5⅛ | — | Radio Corporation | 6 | 5⅝ |
| 24½ | 2¾ | — | Radio-Keith Orpheum | 3⅛ | 3½ |
| 54½ | 32⅜ | 3.00 | Reynolds Tobacco "B" | 33 | 33½ |
| 63¼ | 27 | 2.50 | Sears Roebuck | 27½ | 25¾ |
| 10¼ | 2½ | — | Shell Union | 3 | 2 |
| 23⅜ | 6⅞ | — | Simmons Company | 7⅛ | 6⅞ |
| 26½ | 7⅞ | 1.00 | Socony-Vacuum Corp. | 9 | 8⅞ |
| 54½ | 26½ | 2.00 | SouthernCaliforniaEdison. | 26½ | 25⅞ |
| 88¾ | 18¾ | 3.50 | Standard Gas & Electric | 19½ | 17¼ |
| 53½ | 25¾ | *1.00 | Standard Oil of N. Jersey | 27⅞ | 27¼ |
| 26¼ | 9⅞ | 1.00 | Texas Corporation | 11½ | 11⅛ |
| 50¾ | 19½ | 2.00 | Texas Gulf Sulphur | 20⅜ | 19¾ |
| 18 | 2 | — | Trans America | 3⅞ | 3⅞ |
| 72 | 26⅜ | 2.00 | Union Carbide & Carbon | 26⅜ | 25¼ |
| 205⅛ | 65 | 10.00 | Union Pacific Railway | 66 | 61½ |
| 38⅞ | 9¾ | — | United Aircraft & Trans. | 11⅜ | 10⅝ |
| 31¼ | 6⅞ | .40 | United Corporation | 6⅞ | 6⅛ |
| 37½ | 15⅜ | 1.20 | United Gas Improvement | 18¼ | 17 |
| 20⅜ | 3½ | — | U.S. Rubber | 3½ | 3⅜ |
| 152¾ | 35½ | 2.00 | U.S. Steel | 39⅛ | 36½ |
| 76¾ | 10¾ | — | Vanadium | 10¾ | 9⅝ |
| 20⅜ | 1⅞ | — | Westinghouse E. & M. | 1⅞ | 1¾ |
| 107¾ | 19⅞ | 2.50 | Woolworth | 24⅝ | 23¼ |
| 72⅝ | 35 | 2.40 | | 39½ | 38 |
| *Plus extras | | | Call Money | 2½% | 2½% |

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## The National City Co. Gold Bond Quotations Received From Head Office

March 31, 1932,

| SECURITY | RATE & DATE DUE | Price | Approx Yield% |
|---|---|---|---|
| The National City Bank of New York | Stock | 45½ | — |
| Argentine Government | 6 % May 1, 1960 | 53¾ | 11.72 |
| U. S. of Brazil | 6½% Oct. 15, 1957 | 23½ | — |
| Canadian National Railway Co. | 5 % Oct. 1, 1969 | 87¼ | 5.84 |
| Chile Government | 6 % Sep. 1, 1961 | 12⅜ | — |
| Republic of Finland | 6½% Sep. 1, 1956 | 52⅞ | — |
| Finnish Gtd. Municipalities "A" | 6½% Oct. 1, 1954 | 49½ | — |
| German Central Bank for Agriculture | 6 % Apr. 15, 1938 | 36⅝ | — |
| German Central Bank for Agriculture | 6 % Oct. 15, 1960 | 35 | — |
| German General Electric (A.E.G.) | 6 % May 1, 1948 | 35¼ | — |
| Ilseder Steel Corp. | 6 % Aug. 1, 1948 | 26½ | — |
| Kingdom of Italy | 7 % Dec. 1, 1951 | 91 | 7.91 |
| Lautaro Nitrate Co., Ltd. | 6 % July 1, 1954 | 10½ | — |
| City of Milan | 6½% Apr. 1, 1952 | 67½ | 10.38 |
| State of Minas Geraes Series "A" | 6½% Sep. 1, 1959 | 11 | — |
| Republic of Peru | 6 % Oct. 1, 1961 | 6 | — |
| Rhine Westphalia Electric Power Corp. | 6 % Apr. 1, 1955 | 32 | — |
| State of Sao Paulo (Brazil) | 7 % Oct. 1, 1940 | 59½ | — |
| Saxon Public Works | 6½% May 1, 1951 | 24¾ | — |
| American I.G. Chemical Corporation | 5½% May 1, 1949 | 68½ | 9.19 |
| Chicago, Milwaukee, St. Paul & Pacific | 5 % Jan. 1, 2000 | 7½ | — |
| Chile Copper Co. | 5 % Jan. 1, 1947 | 59 | — |
| Goodyear Tire & Rubber | 5 % May 1, 1957 | 75 | 7.16 |
| International Match Corporation | 5 % Jan. 15, 1941 | 23 | — |
| The Mead Corp. w.w. | 6 % May 1, 1945 | 51 | — |
| National Steel Corp. | 5 % Apr. 1, 1956 | 77½ | 6.94 |
| Japanese Government | 6½% Feb. 1, 1954 | 69 | 10.10 |
| Japanese Government | 5½% May 1, 1965 | 60 | 9.48 |

### QUOTATIONS RECEIVED FROM LONDON OFFICE

| | | | | |
|---|---|---|---|---|
| Republic of China Gold Loan | 5 % | 1925 | 58¾ | — |
| Chinese Govt. Re-org. (£) Loan Stamped | 5 % | 1913/60 | 63 | — |
| Chinese Govt. Re-org. (£) Loan Unstamped | 5 % | 1913/60 | 61¼ | — |
| Chinese Government (Crisp Loan) | 5 % | 1912 | 40 | — |
| Shanghai-NankingRailway | 5 % | 1904/08 | 36½ | — |
| Shanghai - Hangchow-Ningpo Railway | 5 % | 1908/58 | 65½ | — |
| Hukuang Railway | 5 % | 1911/1951 | 22 | — |
| Tientsin-PukowRailway | 5 % | 1908/09 | 12 | — |

NOTE: The above quotations are received by cable and whilst believed to be correct are not guaranteed.

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60-228

## Exchange Circular for the week ending Wednesday, 30th March, 1932.

The Easter Holidays intervened from Friday 25th inst. to Monday the 28th inst. inclusive when all Banks were closed; we have, therefore, very little business to report.

Important Conferences between Chinese and Japanese Delegates have been taking place here to arrange a modus vivendi for cessation of hostilities and withdrawal of Japanese which it is hoped will lead to a mutually satisfactory conclusion. The Shanghai Stock Exchange is to reopen (for cash transactions only) on the 1st April, but it does not now seem likely that dealings in Chinese Bonds will be resumed at present.

The London/New York Cross rate has improved from 364 to 377½.

The Japanese Cross rate from 32.20 to 33.30.

Silver:—Opened on the 24th inst. at 18 3/16d. ready and forward, and U.S. $ 0.29⅜ and closes today at 17 15/16d. ready and forward, and 30.

Exchange:—The official T/T rate on London on the 24th inst. was 19⅛d: was lowered on the 29th inst. to 1/8⅛d and today is 1/8⅛d, and U.S. $32¼.

The market on the 24th inst. opened with sellers at 1/9⅜d. U.S. $32½ and Yen 98⅛ and at noon was quoted 1/9 5/16d, U.S $32 1/16 and Yen 99½. The afternoon saw firmness, and at the close 1/9 7/16d, U.S. $32½ and Yen 98½ were available, with possibly fractionally better at times Gold Bars 683½686.

Our Stocks of Silver are reported as follows:—

Sycee and Bar Silver ..... Tls. 64,238,000 an increase of Tls. 97,000
Chinese and Mexican Dollars $ 204,110,000 an increase of $ 2,130,000
Estimated value Tls. 211,197,000 as against Tls. 202,761,000 held at this time last year

| † | Average rates for Feb. | Thursday Mar. 24 | Friday Mar. 25 | Saturday Mar. 26 | Monday Mar. 28 | Tuesday Mar. 29 | Wed. Mar. 30 |
|---|---|---|---|---|---|---|---|
| Bank's selling rates | | opening closing | opening closing | opening closing | opening closing | opening closing | opening closing |
| T/T on London | 1/10.810 | 1/9⅜ | | | | 1/8¼ | 1/8½ |
| D/Dfts ,, | — | 1/9⅛ | | | | 1/8¼ | 1/8½ |
| 4 m/s ,, | — | 1/9 5/16 | BANK | BANK | BANK | 1/8 5/16 | 1/8 5/16 |
| T/T on India | 125,478 | 116¼ | | | | 111½ | 113 |
| T/T on France | 833,674 | 817 | | | | 819 | 818 |
| T/T on N.Y. | 32,728 | 32 | HOLIDAY | HOLIDAY | HOLIDAY | 32¼ | 32¼ |
| T/T on Demand | | 32 | | | | 32¼ | 32¼ |
| T/T on Hamburg R. M. | | 134½ | | | | 135¼ | 135½ |
| T/T on H'kong | 76.332 | 75¼ | | | | 75⅜ | 75⅜ |
| T/T on Japan | 105 587 | 101nom. | | | | 102 nom | 103nom. |
| T/T on Batavia | 81.250 | 79½ | | | | 80 | 79¾ |
| T/T on Straits | 122.457 | 132 | | | | 137½ | 136 |
| Bk's buying rates | | | | | | | |
| 4 m/s B/L. Cred. &D/A | 2/o 068 | | | | | | |
| 4m/s B/L D/P | 882.435 | | | | | | |
| 6m/s ,, B/L Cred&D/A | — | | | | | | |
| 4 m/s B/P Cred D/A or D/P | | | | | | | |
| 4m/s N.Y.Tc | 34.565 | | | | | | |
| 4m/s ,, Docs | — | | | | | | |

| †Based on Daily Official quotation, higher rate taken on rising Market, lower when falling, | Mar. 24 | Mar. 25 | Mar. 26 | Mar. 28 | Mar. 29 | Mar. 30 |
|---|---|---|---|---|---|---|
| Bullion, | | | | | | |
| *London Price of Bar Silver per oz. (English Standard 925 touch) Pence | | | | | | |
| **New York Price of Bar Silver per oz. (Pure) | 18 3/16 | | | | 17 15/16 | 17¾ |
| Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch) ..... | G.$.29⅜ | HOLIDAY | HOLIDAY | HOLIDAY | G.$.29⅝ | G.$.30 |
| Shanghai Silver Bars (weight Tls. 100 (Canton) 999 touch) ....Nominal | Tls. 686 | | | | Tls. 674.00 | Tls. 680.00 |
| Shanghai Mexican Dollars per $100 ..... | Tls. 112.40 | | | | Tls. 112.50 | Tls. 112.60 |
| Native Bank Rate of Interest (Call money) | Tls. 71.7¼ 1% | | | | Tls. 71.3 1% | Tls. 71.2½ 1% |

*Closing Price in London for Previous day
**Closing Price in New York for Previous day

| | | | |
|---|---|---|---|
| Bank of England rate of discount | 3½% | London on Paris | T/T 95.87 |
| Bank of France rate of discount | 2½% | New York on London | T/T 377½ |
| London open of Market rate of Dis. | 3m/s 2⅛% | Bombay on London | T/T 1/6⅛ |
| ,, ,, | 4 ,, 2⅛% | Hongkong on London | T/T 1/3⅜ |
| ,, ,, | 6 ,, 2⅛% | Kobe on London | T/T 1/9 |

FEARON, MAITLAND and SHAW